

**Perceptions of Key Stakeholders Representing School Districts Included in the Standard  
and Poor's Study entitled "Cost Effectiveness of Consolidating Pennsylvania School Districts"**

by

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# **Perceptions of Key Stakeholders Representing School Districts Included in the Standard and Poor's Study on School Consolidations in Pennsylvania**

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## Abstract

“There is a natural predilection in American education toward enormity, and it does not serve schools well.”

—William J. Fowler, Jr., 1992

Because of recent studies, it appears that the Commonwealth of Pennsylvania is indirectly advocating or pursuing the idea of merging or consolidating smaller school districts, including those that are rural. And, it appears that, the Pennsylvania state legislature is encouraging schools falling into this category to pursue the process. Recent studies have addressed the need to share services or merge districts that are in close proximity to one another. Although the literature on this topic is abundant, not only in Pennsylvania, but across the nation, no definite conclusions about school size, academic achievement, and cost effectiveness regarding school size exists at this point in time.

This research examines the perceptions of selected school leaders on school merger possibilities in Pennsylvania. Specifically, the study notes what these stakeholders perceive as important factors to maintain the status of their district and their beliefs on any merger prospective. The study also details participant knowledge of the recent Standard and Poor's Study on School Consolidations published in 2007. Key stakeholders include: superintendents, school board presidents, and teacher association presidents. With the 2008 voluntary merger of the Monaca and Center Area School Districts, other school districts must be aware of the merger

process experienced by these districts. This situation may have established a procedural precedent for other districts to follow across the Commonwealth.

Through surveys, that include closed- and open-ended questions, this researcher desires to achieve a greater insight on the current climate of the districts represented in the study. A number of small school districts, particularly the rural ones, in many areas throughout the Commonwealth are struggling financially. This study includes ten districts from southwestern Pennsylvania. The districts represent small rural, suburban, and urban schools and were included in the 2007 Standard and Poor's study.

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## PREFACE

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you all the joy that life has to offer. May you realize the importance of life-long learning.

Remember, daddy loves you.

## **1.0 CHAPTER 1**

### **1.1 INTRODUCTION**

Escalating costs for public school districts in health care, retirement costs, contractual commitments, building projects, and the No Child Left Behind Law with its accountability measures, coupled with declining revenue sources and an unstable school funding (property tax) method, seems to create a natural question for school systems in the Commonwealth of Pennsylvania. Would a plan of school consolidation or mergers of Pennsylvania school districts be more cost effective and efficient, helping to alleviate financial burdens to smaller school systems – at the same time providing a quality education? On the surface, the answer would appear to be a simple “yes.” However, several barriers may impede any type of consolidation/merger proposals for school districts throughout Pennsylvania.

In the recent ACT I (Taxpayer Relief Act, 2006 and Senate Resolution No. 208 - Appendix A) legislation for Pennsylvania, property tax relief was focused as an area of study in relation to school district finances. Commissioned by the Legislative Budget and Finance Committee of the General Assembly of Pennsylvania to study the potential advantages and disadvantages of consolidating smaller school districts and sharing educational services in the Commonwealth, Standard and Poor’s conducted such a study that began in the spring of 2006. Furthermore, the study hypothetically paired 88 school districts that might be good candidates

for the possibility of merging. Completed in early June of 2007, the study has the potential to create controversy throughout the Commonwealth's 501 districts. Specifically, the smaller, academically and financially struggling districts would be at the core of heated debate. Because of its relevance, the Standard and Poor's study is worthy of a full summary description, which appears later in this paper and serves as a foundation for the research.

The most recent "forced" school consolidations were for reasons other than easing financial stress on school districts. In fact, there have been no voluntary school mergers in over forty years in Pennsylvania. Throughout the 1960s, the number of school districts dropped from 2,277 to 669. After that, there was a decrease in the number of Pennsylvania schools from 669 to 505; this number further dropped to the current 501 school because of antidiscrimination rulings (PSBA Bulletin, December 2006). Please refer to Appendix B for a history of school districts in Pennsylvania. However, recently some districts have begun to study the outcomes of school consolidations. The Monaca and Center Area (Beaver County, Pennsylvania) are prime examples. Since the fall of 2006, both districts identified and convened committees to study a potential consolidation, met with Pennsylvania Department of Education (PDE) officials, and hired Ingraham Dancu Associates as well as Education Management Consultants. Perhaps the reason for their study centers on the proximity of these districts, their financial status, or a combination of both. Although the merger procedure is described in Pennsylvania School Code, the two districts are relying heavily on input from state officials and district solicitors. The districts have entered this study as "current-day pioneers," according to Center Area Superintendent Daniel Matsook (Pittsburgh Post-Gazette, 2006).

Recently, policymakers in Harrisburg felt that the time has come to at least study and potentially create a consolidated school system throughout the Commonwealth of Pennsylvania.

Would the Standard and Poor's study automatically create a consolidation plan forcing districts to merge, or would it create additional problems? It appears the current consolidation debate centers on two arguments:

- 1.) Mergers save money by reducing costs, and
- 2.) Academic achievement will be enhanced through an expansion of resources (PSBA Bulletin, December 2006).

Again, it is obvious that this topic will be contentious. School consolidations in tradition-rich districts in Pennsylvania will not only highlight financial and academic concerns but will create emotional issues as well. Numerous districts in western Pennsylvania arose because of the industrial successes of nearby towns. Moreover, many of these same districts have existed for several generations. Simply consolidating the districts with an adjoining district will surely evoke emotional apprehension and meet with opposition to a large degree.

## **1.2 PURPOSE OF THE STUDY**

Once the Standard & Poor's study became public, interest among small school districts, including union officials, teachers, parents, advocacy groups, taxpayers, policy makers, and other key stakeholders heightened. The report immediately created an awareness and curiosity of school mergers with many individuals and generated many questions. After all, there has never been a voluntary school merger in Pennsylvania. The S & P study examines potential pairings of neighboring districts throughout Pennsylvania. Additionally, mandated mergers appear to evoke negative responses from the school community. In order to understand the study's intentions and findings, the researcher believes it is imperative to gain a perspective from individuals who stand

directly affected. Stated differently, if their school district was “paired” with another neighboring district, what are the opinions or thought processes of key stakeholders? Although there are a number of individuals affected by a school merger, the researcher focused only on three groups of key school officials. Key stakeholders include superintendents, teacher union leaders, and school board presidents.

Aligned with the S & P Study with its hypothetical pairings of 88 school districts, the researcher is interested in the perceptions of school leaders from a select group of districts mentioned in the study. Additionally, the researcher wants to understand if the pairings created any potential discussion on mergers within those districts. The researcher believes this study will help to understand the school officials’ thoughts and beliefs on a local school merger. The purpose of this study is to examine and analyze the perceptions of selected school board leadership, school administration, and union leadership of the S & P study and mergers, in general.

Several core questions will serve as an underlying foundation for the research. These questions include the following:

- 1.) What is the awareness of key stakeholders of the S & P study?
- 2.) Have merger discussions occurred before within your school community? Why or why not?
- 3.) Would a merger of your school district be controversial? Why or why not?
- 4.) What are the perceived advantages/disadvantages of mergers?
- 5.) What would be the rationale for your district merging?
- 6.) If merging occurred, what are the likely issues to shape the implementation of the plan?

The researcher will develop survey questions that address these major points. The participant's responses will offer insight to support or oppose the current literature on school mergers/consolidations and the Standard and Poor's Study.

### **1.3 QUESTIONS GUIDING THE LITERATURE REVIEW**

A research study on school mergers cannot be effective without a thorough review of the literature. After all, the information gleaned from the literature will set the stage for the researcher to compare and contrast the current knowledge versus the responses of the survey participants. The intention of the literature review is to research the history, implications, and future of school consolidations in the Commonwealth of Pennsylvania. In addition, research will focus on the consequences and alternatives to school consolidations. An historical analysis of the current school consolidation study and potential merger status of schools within the Commonwealth will help to guide and gauge the effectiveness and possibility of school mergers.

The following questions will serve to structure the review of the literature:

- 1.) What are the types of school consolidations?
- 2.) What is the history of Pennsylvania school mergers?
- 3.) Why would Pennsylvania and its schools consider consolidations?
- 4.) What is the impact of the recent Standard & Poor's Study?
- 5.) What are the advantages to school mergers?
- 6.) What are the potential disadvantages to the merger process?
- 7.) Do school consolidations create any other consequences?

- 8.) What are the alternatives to school consolidations?
- 9.) What is the current status/future of school mergers in Pennsylvania?

#### **1.4 DELIMITATIONS OF THE STUDY**

This study is limited to school districts in the Commonwealth of Pennsylvania and the Standard & Poor's study. Although school mergers/consolidations and studies have occurred in most other states, the following study is exclusive to Pennsylvania districts and those connected to the S & P Study. The potential merging of school districts in other states, along with possible advantages and disadvantages, may emphasize the reasons for and against prospective consolidation obstacles in Pennsylvania.

#### **1.5 DEFINITION OF TERMS**

Intermediate Unit (IU) – organization that offers services to school districts.

Merger (from Pennsylvania Municipal Law Act 90 of 1994) – implies the combining of two or more districts with the intent of eliminating an administrative group and/or duplicate programs (PSBA Bulletin, December 2006).

Consolidation (from Pennsylvania Municipal law Act 90 of 1994) – implies the combining and closure of buildings and reduction of staff through elimination of duplication within the resulting district (PSBA Bulletin, December 2006).

IU – Intermediate Unit

NREA - National Rural Education Association

NSBA – National School Boards Association

PASA – Pennsylvania Associate of School Administrators

PASBO – Pennsylvania Association of School Business Officials

PSBA – Pennsylvania School Boards Association

PDE – Pennsylvania Department of Education

PSEA – Pennsylvania State Education Association

PSSA – Pennsylvania System of Student Assessment

S & P – Standard and Poor's

Note: Even though there are slightly different definitions for merger and consolidation, the terms will be used interchangeably for the purpose of this study.

## **1.6 SUMMARY OF CHAPTER 1**

In closing, it is necessary to state the relevance of this research study. With the latest study conducted by Standard and Poor's and the Common Cents Program – both connected to the Pennsylvania Department of Education and state legislators – it appears that the idea of voluntary, or perhaps mandated school mergers, has gained momentum in Pennsylvania. The

Common Cents program, which will be highlighted later, encourages school districts to share resources. Because the Commonwealth of Pennsylvania provided \$500,000 to the Center Area and Monaca School Districts to aid in their initial attempts at merging, it is somewhat obvious that at least at the state level, the interest, and support of studying and completing mergers is strong. This particular study examines if the interest and background knowledge on mergers is as strong at the local level, particularly with key stakeholders, as it seems at the state level.

Additionally, with the current school finance structure in Pennsylvania, the idea of school mergers or consolidations can easily become a political topic – both at the local and state level. The present system for public school funding in Pennsylvania has undergone scrutiny for years. The Standard and Poor's study appears to have laid the groundwork for at least getting school districts to think about their present configurations. After all, this specific study included school districts that in many instances have no current interest in merging with their neighboring districts. However, the latest programs offered by the PDE, such as the Common Cents Program and the Standard and Poor's study, may actually have a negative impact or effect on the districts within the Commonwealth, especially the school districts paired in the study. Negative effects may include the loss of local control at the school board level or the perception among school leaders that small school mergers are inevitable. The researcher is hopeful that this study reflects the perceptions on the Standard and Poor's study and school mergers in general. The study intends to provide school systems with critical, applicable information to consider if the subject of school mergers ever arises within their specific districts. By documenting the knowledge and perceptions of specific personnel within selected school districts, the research helps to provide insight for policymakers on the important issue of school mergers. The idea of school mergers

seems to be of current interest to school districts across Pennsylvania. The researcher hopes to add to the current context of literature and thought at present.

## **2.0 LITERATURE REVIEW**

### **2.1 INTRODUCTION**

Chapter 2 provides a close examination of school mergers identifying the major themes of the process. The central purpose of the literature review is to provide research and background information describing the effects of potential school district merger or consolidation plans in the Commonwealth of Pennsylvania, specifically for smaller school districts. The driving question behind each section of the literature review will be – are school consolidations effective including educationally and financially? In addition, a history of school consolidations and past examples of consolidations necessitate description. Potential advantages and disadvantages of school mergers will be an integral part of the literature review. Additionally, because of their current studies, the school consolidation path of the Monaca and Center School Districts are illustrated, as well as other Pennsylvania districts. Lastly, alternatives to school consolidations for smaller districts are examined.

Since the recent release of the Standard and Poor's Study with its hypothetical pairings of smaller districts, the idea of small school mergers will generate lively debates in local districts. Each district will weigh the advantages against the disadvantages to determine the feasibility of successful school mergers. However, some school districts may be against any merger possibilities and battle the PDE with lawsuits. In addition, these districts – mostly the smaller

districts – may create novel educational ideas to keep their districts on the forefront of innovation – adding courses and programs as best as possible while being financially solvent.

This chapter will focus on the literature of school consolidations in Pennsylvania. Any type of consolidation process will surely develop questions to key stakeholders. Parents, students, teachers, taxpayers, and legislators will surely question the effectiveness and outcomes of school mergers. Once more, this chapter will focus on the key talking points of school mergers. The two types of mergers will be detailed. Additionally, the reasons for school mergers among small districts – as well as noting the advantages and disadvantages of the process – provide a deeper understanding of the outcomes of school mergers. Lastly, examples of mergers in Pennsylvania and alternatives to consolidations will provide basis for further studies.

The researcher hopes the literature review supports the actual study. Stated differently, do the perceptions and responses of the participants in the study correlate with the literature review findings? The literature review will serve as the foundation for subsequent research. The following questions will serve as the basis for the literature review:

- 1) What are the types of school consolidations/mergers?
- 2) What is the history of Pennsylvania school mergers?
- 3) Why would Pennsylvania and its schools consider consolidations?
- 4) What is the nature and role of the recent Standard & Poor's Study?
- 5) What are the advantages to school mergers?
- 6) What are the potential disadvantages to the merger process?
- 7) Do school consolidations create any other consequences?
- 8) What are the alternatives to school consolidations?

- 9) What is the current status/future of school mergers in Pennsylvania?

### **2.1.1 What are the Types of School Consolidations/Mergers?**

For straightforward purposes, the researcher will examine the two basic types of mergers that exist or have existed in Pennsylvania. Although not clearly mentioned and defined in the literature, there appears to be two types. The two types of mergers are *forced mergers* – those mandated by the Pennsylvania Department of Education or General Assembly for various motives and reasons (mainly desegregation laws) – and *voluntary mergers*. Voluntary mergers include districts that willingly joined or have at least started the process (e.g. discussion, formal study, open meetings, etc.) of merging. The Center Area and Monaca School Districts (Beaver County) started the route using a voluntary merger process. The specific school code detailing mergers is provided later in this chapter.

Forced or mandated mergers last occurred in Pennsylvania in 1981. Although there were some incentives (mostly monetary) offered to school districts in the 1960s and 1970s to encourage merging, many districts opted not to undergo the process. There is no simple way of determining any amount of savings or positive effects, if any, of consolidations that occurred during that time. Not much valid research covers this era. In addition, the changing economics and demographics of merged districts in Pennsylvania throughout this time make it difficult to ascertain any amount of financial savings.

In order to have voluntary mergers occur, two school districts must have a mutual interest in combining in any capacity. Philosophies of the community and school boards must be

concurrent to begin to examine the possibility of a merger. There is no sense establishing the process if public outcry and board opposition is strong. This seems to be the biggest obstacle to date. In other words, how do school districts believe that merging is beneficial for both districts and communities – both educationally and financially? The argument for merging truly becomes a political one. School directors and superintendents can become embroiled in a controversial topic that may cost them their careers – especially in a process that does not show concrete, immediate results.

There is a process for potential school consolidation in Pennsylvania, and Pennsylvania School Code does acknowledge the possibility of school district mergers. As of 2007, the PDE has taken an active interest in the merger debate. Recent studies seem to encourage smaller districts to examine the process. The following statutory language is from P.L. 30:

Any two or more school districts or administrative units may combine to create a larger school district. The board of school directors of each school district desiring to form such a combination shall, by a majority vote, adopt a resolution outlining the areas to be combined and file and application for approval with the Superintendent of Public Instruction. The Superintendent of Public Instruction shall place on the agenda of the State Board of Education each such application for its consideration.

The State Board of Education shall review each application upon its agenda and approve such applications, as it deems wise in the best interest of the educational system of the Commonwealth.

The State Board may continue the application on its own agenda and may permit any school district or interested party, aggrieved by the petition, to file its objection. Such objection shall set forth the basis for and facts of aggrievement.

If an application is not approved, it shall be returned to the applying districts for resubmission in accordance with such recommendations as may be attached thereto.

When an application receives approval, the State Board of Education shall direct the Superintendent of Public Instruction to issue a certificate creating the new school district, listing the name, constituting components, classification, and effective date of operation.

(1949, March 10, P.L. 30, art. II, & 224, added 1965, Dec. 7, P.L. 1034, & 1, effective June 30, 1996)

## **2.1.2 What is the History of School Consolidations/Mergers?**

Surprisingly, the PDE does not have large amounts of information on the history of school consolidations/mergers in Pennsylvania. Perhaps the records of such school combinations became the responsibility of the individual school districts themselves. However, according to PDE records, forced mergers began in 1966. During the 1960s, the number of districts decreased to 669 from 2277 (PSBA, December 2006). In fact, in 1961, Act 561 was adopted; this law was to eliminate smaller districts but was repealed in 1963; the revised language of the law still had the goal of consolidation in mind. The Bureau of School District Reorganization coordinated this reduction in school districts (Pa State Archives, 2007). Through the 1970s, the number of districts again dropped from 669 to 505 total districts. Finally, because of antidiscrimination laws, the number decreased to the now present 501 districts; this merger phase lasted until 1981. A number of recent studies – including the Standard and Poor's consolidation study – have caused the merger discussion to arise again in Pennsylvania. However, the topic and actual occurrence of school mergers on the national scene continues in many states.

### **A National Look at the History of School Consolidation/Mergers Practices**

Even though this study focuses on mergers in school districts in Pennsylvania, it is with some merit that some national history of school mergers be acknowledged – especially the reasons for merging rural schools. The reason is simple: Pennsylvania is largely a rural state,

and the same factors affecting other rural states have influenced the Pennsylvania decision-makers. Conant (1959) acknowledged that in order for schools to offer the best college prep program, the high school should have at least 100 students (Rural School Consolidation Report, 2005). Conant also stated that eliminating small high schools would increase cost effectiveness and course offerings. According to this NREA report, small high schools could not provide the best education for its students and subsequently, this affected the political climate – specifically competition between industrialized countries. The belief was that small schools could not provide the quality education of larger districts. The economy also played a large part in school consolidation. During the decade from 1970 – 1980, rural population decreased substantially because of the lack of jobs in the rural sector – mostly in agricultural areas (NREA). This migration of people to urban areas caused school enrollments to decline in rural areas. Rural schools began to merge with other districts out of necessity for survival.

Additionally, school systems across the United States, it seems, were not immune from the input of the American system of business. Early ideas of school consolidations stem from industrial America; the term used was “economy of scale” (Fanning, 1995). Economy of scale states that production costs can decrease if the facility size increases. This 19<sup>th</sup> century business philosophy began to make school systems act like a company organization (Orr, 1992). This philosophy was transferred to the education world – larger districts supposedly could save more money than many smaller districts. In other words, the cost per pupil spending incurred in larger districts would be less than the per pupil costs in smaller districts. Furthermore, purchasing supplies in bulk amounts would be less in larger systems as well. Right or wrong, these philosophies made a strong case for larger school systems and the drive for school merging began.

Currently, a number of states continue with the practice of merging districts and creating larger school systems. The reasons vary for merging. Nelson (1985) notes a perceived academic weakness in small and rural schools. Shrinking enrollment and changing demographics have also continually played a major part in the merging of schools across the United States. Although the enrollment nationally in both elementary and secondary schools from 1945 to 1980 increased from approximately 23 million to 40 million students, the number of schools decreased from 185,000 to 86,000 (Ravitch, 1984).

West Virginia, Kansas, and Wyoming all are active states when studying or mandating school consolidation practices. The rationale varies for interest in school consolidation but the primary motive is economic in nature. Because some states are losing enrollment, the legislatures believe it makes sense to consolidate school districts and recognize savings. Bard et al (2005) express the following from the Rural School Consolidation Report:

As states look toward future enrollment declines, many have reduced the number of rural districts in efforts to meet challenges associated with projected budget deficits. Manzo (1999) stated that in Wyoming, which 48 districts, legislators had proposed elimination of 10 more districts in order to deal with budget concerns. Districts in Iowa have been reduced from 438 to 377 in the past 14 years. According to a recent report in West Virginia on school consolidation, over 300 schools have been closed since 1990 (Eyre & Finn, 2002). The Kansas legislature made a decision to undertake a school district boundary study in 2000 and the current mood of the legislature in 2005 is to re-examine consolidation issues. Regardless of the motive, rural school districts continue to be under scrutiny as to their academic and economic effectiveness.

## **Recent Pennsylvania School Merger History**

In Pennsylvania, the last merger occurred in 1981 and produced the Woodland Hills School District located approximately ten miles east of Pittsburgh. The district now encompasses the following areas: Braddock, Braddock Hills, Chalfant, Churchill, East Pittsburgh, Edgewood, Forest Hills, North Braddock, Rankin, Swissvale, Turtle Creek and Wilkins Township (Source: <http://www.whsd.k12.pa.us/admin/>). Because of a federal desegregation lawsuit, five districts merged creating the current Woodland Hills School District.

Perhaps the merger idea of smaller school systems is cyclical in nature. With changing school boards and state representatives, the notion of mergers might arise every five or ten years for example. Within recent history (the last five years), some districts in Pennsylvania have entertained the idea of merging districts. These discussions occurred before the release of the Standard and Poor's study. Examples include the current Monaca and Center Area School Districts (Beaver County) study and the Meyersdale/Salisbury-Elk Lick School District (Somerset County) merger review. Whatever the reason for beginning the process, no mergers have occurred in Pennsylvania since 1981. Additional Pennsylvania merger history and future merger possibilities is located in Section 2.6.

### **2.1.3 Why Would Schools Consider Consolidation/Merging?**

With the exception of forced mergers by the Commonwealth, why would school districts contemplate a merger or consolidation? Obviously, there must be a “win-win” scenario for both neighboring districts. When does a school board elect to end one district and begin anew with another? Apparently, the first step is some type of communication between the school boards or district’s superintendents. The school directors and administration must consider if the option of a merger is worth exploring. Perhaps the reasons include certain advantages that need explored and eventually tried. In addition, the proximity of school districts naturally lends itself to the first step in merger ideas. It is also ironic that the timing must be crucial to these events. If a majority of the board is ousted in an election, the complexity and philosophy of the board can change; any work to date on merging districts could end immediately. This occurred when a new school board gained power at the Center Area School District in the fall of 2007. The new board immediately ended the rapidly moving merger process that was in place. Obviously, the districts must both want to engage in any type of discussion. However, the tenuous procedure can end rather quickly.

Pennsylvania, as noted earlier, is home to 501 school districts. Within Allegheny County alone, there are 43 school districts covering a little over 700 miles – an average of one district for every 16 miles. Conversely, in neighboring Armstrong County, there are just four school districts. Armstrong County is over 650 square miles in size; the average is one district for every 162 miles (although two of the districts are also located in other counties as well – the Freeport Area School District is in Armstrong and Butler Counties, and the Leechburg Area School District is located in Armstrong and Westmoreland Counties). A case could be made that small districts that border other small districts geographically may have the first step in beginning a

merger study for reasons such as transportation, closeness of schools, and other accompanying cost savings associated with the proximity. On the opposite side, though, smaller districts, located in rural counties, may not see savings in these areas if they opt to merge; in fact, the opposite may be true. Great distances between smaller districts in larger, rural locations could spend more money on transportation costs.

Pennsylvania is very much a rural state, and accordingly, most of the districts are rural as well. Only six of the 67 counties in the Commonwealth are considered urban, yet Standard and Poor's examined all small districts for merger capabilities and possibilities, regardless of their location. It would stand to question, though, the effectiveness of merging school districts that already cover vast land areas and their ability to save transportation time and money. However, with the changing face of education and the increasing technological advances (cyber learning, for example), schools are very creative in a competitive way. Perhaps the development of larger schools with their asserted advantages is the only thing smaller districts can do to educate their students within their existing district – and to survive in some way and shape.

Dwindling enrollment may play a key role as to why districts and policymakers would contemplate merging as well. During the 1996-1997 school year, public enrollment totaled 1,804,256 students; the totals for the 2005-2006 school year were 1,830,684 students – an increase of only 1.5% (PDE, 2006). However, please refer to Appendix C for additional enrollments and breakdowns for elementary and secondary age students. Secondary enrollment, as noted, increased 10.5% while elementary enrollments showed a 6.0% decrease. Schools planning for the future may have strong anxieties with the drop in elementary enrollments. It is evident that a changing demographic variable of any particular school district will prompt merger discussions – or at least has heightened the awareness of dropping student numbers.

What may cause dwindling enrollment within a district? According to Lorna Jimerson in the report, “Breaking the Fall: Cushioning the Impact of Rural Declining Enrollment,” economic and demographic changes are primarily responsible for declining enrollment. In addition, the following are additional causes:

- An aging population
- Changes in the job market and/or diminished opportunities for entrepreneurship
- Increased school choice
- Neighborhood decay and uneven neighborhood development
- An increasingly fluid and mobile student population
- Land/resource use
- Housing costs (Cook, 20004a; French & Thomas, 2002)

It is apparent that any individual or combination of the above-mentioned factors can influence populations dramatically. Unfortunately, they are also factors that affect any school population and are not isolated to schools in Pennsylvania.

Of course, dwindling enrollments may or may not have an affect on per pupil costs. School districts may recognize the changing size of their districts and make administrative and staffing cuts as necessary. Reduction in staff creates the “red flag” that the district cannot operate effectively and efficiently anymore, thus creating questions and opening the door to the possibility of mergers or the increase in teacher-student ratio and the loss of advanced courses. This critical topic is addressed later.

There are clearly many rationales for school merger possibilities; however, perhaps the major reason for studying school consolidations at present in Pennsylvania is the 2006 – 2007 report conducted by Standard and Poor’s. The report was entitled “Study of the Cost-

Effectiveness of Consolidating Pennsylvania School Districts.” Part I of the study was a statewide analysis of small school districts and Part II covered profiles of paired, small districts. It is essential to describe this study in detail since it may serve as the contemporary foundation for the beginning of the small school consolidation process in Pennsylvania.

#### **2.1.4 What is the Impact of the Recent Standard and Poor’s Study?**

In February of 2007, small school superintendents throughout Pennsylvania received a letter and request from Michael Stewart, Director of Analytics within the School Evaluation Services Department, of Standard and Poor’s. The letter detailed the purpose of the consolidation study and included a questionnaire that could be completed and returned or via an on-line submission. The survey addressed the major points the resolution (SR 208 of 2006) adopted by policymakers in Harrisburg. The following is dedicated to the goals, context, methodology, and key findings of the S & P Study.

##### **Goals of the S & P Study**

As per Philip R. Durgin, Executive Director of the Legislative Budget and Finance Committee (Pennsylvania General Assembly), the focus – as noted on the final report – was “to study the cost-effectiveness of consolidating Commonwealth school districts.” Ready for public review on June 1, 2007, the study assessed and examined the following five objectives:

- Determine whether consolidation could help smaller and more rural districts save money with regard to purchasing power of supplies and services.

- Evaluate whether the consolidation of school districts as the county, intermediate unit, or other level would enable larger school districts to provide more services such as extensive special-needs programs, after-school programs, and other services that poorer districts traditionally cannot provide or afford.
- Analyze whether services could be shared among two or more school districts, much like many municipal services on other levels, without necessarily consolidating the districts.
- Investigate whether, by pooling state moneys together to provide better services for more rural districts, the Commonwealth could run a more efficient and ultimately a better system of education for its young people.
- Study the effects of consolidation on transportation issues, logistical issues, and other situations that may not be considered on the surface (p. 2).

## **Context of the Study**

What was the impetus for studying those five points? According to the S & P study, the reason was simple – “in the interest of helping school districts save money and meet more of their students’ needs” (p. 3). Additionally, the report noted that recent costs for operating Pennsylvania’s school districts “have grown at nearly three times the national rate of inflation” (p. 3). Lastly, it is assumed that smaller districts supposedly spend more money per pupil than larger school districts. “The assumption is that smaller districts spend more per pupil, because they pro-rate fixed costs over fewer students, and because they are unable to leverage their purchasing power to obtain volume discounts to the same extent that larger districts can” (p. 3). In other words, smaller schools equate to elevated operating costs and subsequent higher overall

per pupil spending. To understand the extent of the survey responses, I believe it is critical to know exactly the depth of the study.

### **Methodology of the S & P Study**

According to the study overview, the report utilized a mixed methods approach involving both qualitative and quantitative data. Each approach is worthy of its own description.

#### **Quantitative Study**

Using information from SchoolMatters.com (managed by S & P), the summary finding information came from academic information – PSSA reading and math scores – from the 2006 school year and financial details from the school year ending in 2004. It is important to note that the study focused on the operating expenditures of school districts. Operating expenditures include such items as costs for instruction, staff, pupil support, administration and school administration, food services, transportation, and maintenance (S & P, Part I, 2007, p. 14). Additionally, because of the variance in the purchasing power of the dollar across Pennsylvania, S & P used a “geographic cost index to ‘normalize’ each school district’s expenditure data for certain analytical purposes (p. 14). Lastly, because of the different enrollments of the school especially with differing enrollments of special needs students and students from poor backgrounds, S & P employed a “weighted student- needs index” to offset district financial data in these special cases.

#### **Qualitative Study**

Conducted in person or by telephone, approximately 50 individuals were part of the interview process. Interviewees included superintendents, IU officials, four school board

members, one principal, and one curriculum coordinator (total number was 36). Additional respondents included representatives from PASA, PASBO, PSEA, PDE, and the Department of General Services. A total of twenty-six school districts and IUs covering only eight counties (Pennsylvania has 67 counties) were represented in the interviews.

Additionally, 88 school districts received written surveys; however, only 49 districts answered for a 56% response rate. Only 18 questions were on the survey. Furthermore, IU directors that represent the 88 districts received six open-ended questions.

## **Key Findings**

Six major areas of data analysis were the basis for the summary of results within the S & P study (p. 4). Although, in this researcher's opinion, the six areas create limited results and do not produce a completely accurate picture of school district and superintendent input on school consolidation, it is still a study nonetheless. Information gathered from this study provides content for the other sections of this dissertation.

A review of each of the six major objectives of the study is necessary in order to review the results regardless of data gathering processes utilized. It should be noted, though, that the qualitative and quantitative methods used engaged many of the proper organizations, such as IUs, PDE, and PASBO, etc. It appears the attempt and subsequent results found by S & P were thorough, independent, and unbiased.

**Objective 1:** Determine whether consolidation could help smaller and more rural districts save money with regard to purchasing power of supplies and services.

Results:

- 1.) Indication is that consolidating high spending smaller districts with comparable districts as long as the enrollment does not pass 3000 students. Schools with enrollments between 2500 – 2999 appear to have a lower cost per pupil spending ratio. Estimates for schools of this range are approximately \$8057 per student.
- 2.) There are 312 districts with less than 3000 students; however, not all of them are close to districts that if consolidation did occur, enrollments would be more than 3000 students. However, there are 88 districts with enrollments below 3000 students, have higher than average per pupil spending, and are close enough to other districts with the same characteristics (p. 6). These 88 districts represent the hypothetical consolidated districts described in Part II of this study.
- 3.) After reviewing 28 responses, 61% indicated a “willingness” to consolidate if costs could decrease.
- 4.) Many superintendents believe that consolidation would be "extremely controversial," and strong community opposition would occur (p. 6).
- 5.) S & P also reports that studies on consolidations could occur if the PDE provided funding and technical help.
- 6.) One major study could focus on local property taxes. Millage rates could fluctuate or remain the same between communities once a school consolidation occurs. An analysis would involve a model of what a new district would have for expenditures and revenues.

**Objective 2:** Evaluate whether the consolidation of school districts at the county, intermediate unit, or other level would enable larger school districts to provide more services, such as extensive special-needs programs, after-school programs, and other services that poorer districts traditionally cannot provide or afford.

Results:

- 1.) Larger schools (with more than 3000) students can offer more Advanced Placement courses; 92% of all large districts report AP test results while 51% of smaller districts (less than 3000 students) do not. In the study, though, superintendents note that small districts offer dual enrollment programs and on-line courses (p. 7).
- 2.) A total of 63% of the responding 49 school districts indicate that consolidation would help them offer "enrichment opportunities." Enrichment opportunities are defined "as any supplemental academic program that directly supports student learning, including after-school classes or tutoring, remediation programs, gifted and talented programs, summer school classes, etc" (p. 7).
- 3.) A total of 51% of responders also note that consolidation could result in offering more extra-curricular activities.
- 4.) Five out of seven IU directors do not agree that "consolidating all districts within our intermediate unit would enable the single, newly formed district that resulted to provide more services..." (p. 8).
- 5.) If countywide school districts were created, costs could actually go up for after-school or special needs programs unless the state provided more aid.
- 6.) Larger school districts may remove the current personalized attention that students currently receive within smaller districts.

**Objective 3:** Analyze whether services could be shared among two or more school districts, much like many municipal services on other levels, without necessarily consolidating the districts.

Results:

- 1.) School district money can be saved by perhaps sharing services with other schools. Of the 49 superintendents who completed the questionnaire, 53% noted that their schools share one or more services. The services include “special education, athletics, occupational programs, alternative education, distance learning, purchases services, shared personnel, technology, coaching, transportation, health care, food services, and student support” (p. 9).
- 2.) Mostly all districts would share services. This may be an alternative to small school consolidation, and the governor of Pennsylvania has allocated money to study this idea.
- 3.) The process of sharing services may be coordinated through intermediate units. This topic will be addressed later in the section “Alternatives to Consolidation.”

**Objective 4:** Investigate whether, by pooling state moneys together to provide better services for more rural school districts, the Commonwealth could run a more efficient and ultimately a better system of education for its young people.

Results:

- 1.) The report noted that school districts currently participate in purchasing programs with other districts. Examples include the COSTARS (Cooperative Sourcing to Achieve Reductions in Spending Program), PEPPM (for technology purchases), U.S. Communities, Investment Trusts, and Easy Purchase.
- 2.) Intermediate Units also provide many educational services to their member districts.
- 3.) Some IU directors believe that member districts could possibly save money by utilizing services already offered at this level.

**Objective 5:** Study the effects of consolidation on transportation issues, logistical issues, and other situations that may not be considered on the surface.

Results:

- 1.) The expenditures for transportation appear to be higher for districts with less than 750 students and less for districts with between 750 – 4999 students. However, it should be noted from the report that for districts with more than 5000 students, the cost per pupil covers a wide range.
- 2.) Transportation expenditures are difficult to gauge – most student transportation is measured in miles covered not per pupil.
- 3.) The report also describes the length of bus rides for students. Accordingly, most districts reported that an hour is the longest time their school communities would accept (pg. 12). However, in a follow-up survey, 22 districts noted a one way bus ride “is as high as 97 minutes (194 minutes round-trip), and as long as 72 miles (148 miles round trip)” (pg. 12).

**Review of the Standard and Poor's Study on student achievement:**

Does the creation of larger schools from merging affect student achievement? The S & P study examined scores from the PSSA between larger and smaller schools. The math and reading results indicate “virtually no correlation between district size and student achievement” (p. 44). Policymakers may want to examine other sources of student achievement or at least develop a different definition of student achievement. If not, the comparison of PSSA tests may not be a solid indicator of school district success. However, the researcher believes, for simplicity sake, S & P utilized the PSSA scores for a general comparison.

PSSA tests are only one measurement to determine if a school district makes Adequate Yearly Progress (AYP) according to the No Child Left Behind law of 2001. What would occur, though, if a lower achieving school merged with a higher achieving school? The resulting AYP

scores could be lower than if consolidation did not occur. Therefore, school districts that have historically made AYP might be averse to merging with lower performing districts because of potential lower overall averaged scores. No district wants to undergo the consequences of NCLB for not making AYP each year. However, a school district considering consolidating may use other methods of calculating student achievement but are still subject to the stringent regulations and perhaps negative consequences of NCLB.

### **Summary of the Standard and Poor's Study:**

According to the study (p. 21), “it appears that district consolidations that result in combined enrollments below 3000 students would be more likely to save money than consolidations that produce districts with more than 3000 students.” Therefore, the school pairings analyses and subsequent report forced the researchers to maintain an “optimal” size for a “new” school district. S & P based their study on the following statistical information:

- Average Operating Expenditures Per Students by Range of Enrollment (2003 – 2004)
- Transportation Expenditures by Range of Enrollment (2003 – 2004)
- Operating Expenditures Adjusted for Geography and Student Needs by Range of Enrollment (2003 – 2004)
- Core Spending Per Student by Range of Enrollment (2003 – 2004)
- Operating Expenditures Per Student Regressed by District Enrollment (2003 – 2004)

In addition, because of their findings, S & P created consolidation scenarios for 97 (some districts matched more than once) small school districts - Part II of the study - based on the following factors (p. 21):

- The district's per pupil spend is above the average of similar sized districts and the average spent by districts with 2599 – 2999 students.
- Each district borders another district whose spending is above average, and the overall consolidated enrollment would not exceed 3000 students.

### **Additional Background Information on the Standard & Poor's Study**

Because the research study is grounded in the S & P conclusions, the researcher believes it is necessary to review the outcome of the S & P Study. The research questions focus on the fundamental questions and responses. Standard and Poor's School Evaluation Services Department conducted a report entitled, the Study of the Cost-Effectiveness of Consolidating Pennsylvania School Districts in 2006. Published in 2007, there are two parts to the study. Part 1 is a Statewide Analysis of the chosen districts and Part 2 of 2 is a Profile of Paired Districts.

The Standard and Poor's Study was commissioned by the Legislative Budget and Finance Committee, a joint committee of the Pennsylvania General Assembly. Members of this committee include:

Senators John R. Pippy, Gerald J. Lavelle, Jay Costa, Jr., Robert M. Tomlinson, Robert C. Wonderling and John N. Wozniak

Representatives Ron Raymond, H. Scott Conklin, Anthony M. Deluca, Robert W. Godshall, David K. Levdansky, and T. Mark Mustio

Executive Director is Philip R. Durgin

Chief Analyst is John H. Rowe, Jr.

Senate Resolution 208 of 2006 identified five research objectives (S & P, 2007, Pt. 1, p. 3) for the study. Developed to determine if school consolidations could save money and improve students' needs, the objectives are as follows:

- Determine whether consolidation could help smaller and more rural districts save money with regard to purchasing power for supplies and services.
- Evaluate whether the consolidation of school districts at the county, intermediate unit, or other level would enable larger school districts to provide more services, such as extensive special-needs programs, after-school programs and other services that poorer districts traditionally cannot provide.
- Analyze whether services could be shared between two or more school districts, much like municipal services on other levels.
- Investigate whether, by pooling state money together to provide better services for more rural districts, the Commonwealth could run a more efficient, and ultimately, a better system of education students.
- Study the effects of consolidation on transportation issues, logistical issues, and other situations that may not be considered on the surface (p. 2).

Utilizing qualitative and quantitative methods, S & P was able to achieve a 56% response rate from districts. Forty-nine (49) out of 88 districts answered the survey questions. Combining school district and representatives from PASBO (Pennsylvania Association of School Business Officials, PSEA (Pennsylvania State Teachers Education Association), PDE (Pennsylvania Department of Education) and the Department of General Services totals approximately fifty (50) individuals interviewed.

### **Additional Key Findings from the Standard and Poor's Report**

- If schools had a student population between 2,500 and 2,900 students, their cost per pupil would be \$8,057 – a drop of approximately \$1,600 from schools with between 250 and 499 students.

- Savings in real estate taxes upon consolidation of two districts is difficult to determine. Many other variables help to determine local taxes.
- Obstacles to consolidation include: 1.) loss of community identity, 2.) transportation logistics, 3.) differences in socio-economic and demographic variables, 4.) and the loss of neighborhood schools (p. 29).
- Incentives for consolidation include the possibility of cost savings in areas such as reduction in staff and administration.
- Possible academic advantages to consolidation – offering more classes.
- Financial incentives should be provided by PDE to help districts study the merger process.

#### **Researcher views on the S & P Study:**

The recent S & P Report consisted of two parts. Part II, entitled Profiles of Paired Districts, provided information on 88 hypothetical mergers of school districts in the Commonwealth of Pennsylvania. Although some districts were coupled multiple times, the researcher focused on understanding the key stakeholder perceptions of the study, the hypothetical pairing of a select number of “paired” school districts and their beliefs on school mergers. What are the outcomes and perceptions of the Standard and Poor’s study on a random number of paired school districts including key stakeholders within the respective school communities? One could possibly argue, in turn, that responses are hypothetical. However, the responses are valid because the questions may focus on the past, present, and future of their respective districts and their current understanding of school mergers in Pennsylvania. Open-ended questions will provide more depth in the findings of this qualitative study.

The S & P study examined the location of the school districts, enrollment numbers, and cost per pupil spending (based on operating expenditures) for hypothetical district pairings. The study also used survey answers from the superintendents of the districts to substantiate the findings. However, it appears difficult to ascertain the exact value of the findings because stakeholders were not involved in the survey process. Many discussion points from different special interest groups arise when the topic of school mergers surfaces in a school community. No school merger could ever occur without input from students, parents, and the community. Moreover, the Pennsylvania Department of Education would provide insight and direction as well. Financially, mergers have potential to make sense for struggling districts, although other factors, such as unforeseen obstacles (longer transportation routes for example) and loss of emotional school district ties (rich local heritage), could prove too strong, regardless of potential savings. As late of May 19, 2008, the Center Area and Monaca School Districts were still wrestling with the idea of merging.

Although S & P provided a somewhat detailed, limited analysis of small school mergers, the organization stated that the study does not recommend complete consolidation described in their examples. The report serves “as a tool to support further analysis by local and state policymakers” (p. 22). In addition, S & P made it quite clear that added variables would need examined before local school communities opted for pursuing the merger process (p. 22). The study, though, excluded input from larger school districts. It would be interesting to gauge the effectiveness of the consolidation process for all schools regardless of their size but perhaps based on the geographic proximity. However, the researcher considers the absence of input from larger districts an integral concern to the merger argument.

Therefore, one cannot be critical of the consequences, but the researcher believes the results might be different if a larger pool of responses (larger districts included) were available. In other words, the S & P study produces results but also creates the following question – does the study provide enough sufficient information for policymakers in Pennsylvania to make determinations on school consolidations? In other words, will the results of the S & P study create a forced merger situation for only small school districts throughout Pennsylvania? Moreover, the formation of larger school systems from the outcome of merging might pull students away from other neighboring larger districts thus creating a smaller district.

Furthermore, answers from the interviews involved primarily individuals from the schools or school-related organizations. The study did not include key stakeholders such as parents, students, community, and civic leaders. Although the school board would have the final determination as to merge, the input of these groups is imperative and necessary to conduct a proper merger study. Excluding them would only hurt school and community relations. Not including contributions from the different groups during any consolidation debates only will invite resistance and possible legal action against a district. Additionally, the board members proposing a merging may not experience a long political career; in a matter of two or four years, a new board may replace the old board and change the course completely.

Lastly, the study with its hypothetical pairings of smaller districts seemed to not properly address or review the geographic logistics of prospective mergers. An example of this is the pairing of the Leechburg Area School District (Armstrong and Westmoreland Counties) and the Freeport Area School District (Armstrong and Butler Counties). The only possible route to transport students is utilizing State Route 356, which involves a nine mile trip, and crossing through the Kiski Area School District (Westmoreland County). The two districts are across the

Allegheny River from each other at one other site but there currently is no bridge connecting the districts at this point. The additional dilemma is to determine the arrangement of the new district. Would elementary schools be located in both locations? Would both high schools be necessary? Which location would house the athletic fields? Geographical issues would create added questions for the potential merging of many districts. In defense of the Standard & Poor's study, though, the report did acknowledge that many other issues would need examined before consolidations could readily occur. In the researcher's opinion, the study provided a starting point or talking points on merging. However, further details – that are not factored in the report – need examined before two school districts can entertain or contemplate the possibility of merging.

### **2.1.5 What are the Advantages of School Consolidations/Mergers?**

Have past school mergers been successful? What exactly are the advantages of merging districts – no matter the case? If two districts choose to merge, what are the gains? No merger or consolidation could ever ensue without the “promise” of advantages to the school system and educational process. The new school system must be able to demonstrate improvements to the past system. The researcher should note that mergers could exist between two smaller districts or perhaps a larger district and a smaller district. Whatever the final school system structure, according to the foremost research, there emerges three chief advantages to school consolidations. Districts believe financial savings, increased academic offerings, and the increased opportunity for participation in extra-curricular activities help to outweigh any negative parts of mergers. Noted by Nelson (1985), “the most powerful inducement for school

consolidation is the claim that one big school is better than two smaller schools; bigger schools provide a wider range of curricular and extracurricular offerings.”

Because mergers in Pennsylvania have not occurred in over 26 years, it is difficult to gauge the complete effectiveness of these advantages. In addition, until a merger is completed and analyzed, no real data can demonstrate these as thorough advantages. For example, if two districts merged, an instant result might be the additional extra-curricular activities. However, if cost savings were the biggest enticement, would savings be immediately shown? There are too many variables involved to show immediate positive effects. However, on the surface, these three appear attractive enough to school districts to study the merger process. It is apparent that districts contemplating merging would need to conduct an in-depth (and costly) evaluative study. For a deeper understanding, it is crucial to examine each of these three supposed benefits more intensely while also noting research against the advantages.

Three advantages surfaced in the literature. The next sections will independently examine the three most notable gains to school mergers. The three major advantages involve overall school district cost savings, additional academic offerings, and an increased extra-curriculum program.

### **Cost savings advantages**

In an era of tightening fiscal accountability and responsibility, cost savings is the number one reason for schools – and even departments of education – to study merger plans. Basically, it appears that immediate, short-term and long-term savings demonstrated in consolidations can occur.

At first glance, a significant number of questions arise when exploring the potential advantage of financial savings that potentially occur through a school district merger. What

exactly do cost savings for consolidated school districts represent? Do extensive economic savings show up immediately, or do the savings take years to confirm? Is there a magic number – a certain dollar amount – a district must prove or save to demonstrate that a merger is beneficial to each school district? What are the effects of changing property tax laws (Act 1), the method for schools assessing millage, and school location and demographics? Lastly, one more question arises that is connected to the other potential advantages to school mergers. Would a district merge just to increase its extra-curricular offerings or to add extra Advanced Placement courses? The bottom line seems to be savings in the form of money (reduced property taxes) as far as the distinct critical advantage in consolidating schools.

Although each question is critical to understanding the cost advantages to mergers, three areas highlight this particular topic: a potential drop in property tax expense, an overall decrease in per pupil spending within merged districts, and immediate recognized savings due to reduction in administrative staff or staff in general.

Although often a strongly debated item in recent history in Pennsylvania, the process of collecting real estate taxes is crucial to the existence of school districts. There have been several attempts of late by policymakers in Harrisburg to change the property tax system. Recent examples include Act 50, Act 72, and Act 1 of 2006. Though not overly accepted by school districts, these laws attempted to revamp the tax collection process schools have utilized without much success.

On average, according PDE, schools rely on these local taxes to provide approximately 57% of their overall revenue budget (PDE, 2007). Therefore, any discussions on merging must address property taxes. Obviously, there are many concerns with local taxes and possible mergers. What emerges are more questions that are significant. What would occur if a

depressed school district merged with an affluent district or if two poor districts consolidated? Would the 57% tax collection be realistic? Would the tax process be fair between the two consolidating districts? It is quite apparent that school directors would need to examine this topic thoroughly. Intensive studies on the potential fluctuation of millage rates and subsequent taxing would be an integral part of a merger study.

Because of varying factors, there is no firm guarantee that millage rates would shrink with school mergers or even if equaled out across school districts, remain stable. According to Part 1 of the 2006 Standard and Poor's study entitled the "Study of the Cost-Effectiveness of Consolidating Pennsylvania School Districts" and as described earlier, the following may still affect millage rates:

- They may receive different amounts of state and federal aid, which can offset their local tax burden.
- They may have different total property values; therefore, one district may have to levy a different number of mills to raise the same amount of money as the other district.
- They may have different millage to raise the same amount of money per student as the other district;
- They may choose to spend different amounts of money per pupil, as a result of different needs and local preferences (2006).

Therefore, two districts contemplating a merger must somehow demonstrate a decrease – or at least keeping tax rates stable – in property taxes. If not, it would be quite difficult to make the merger occur. Quite honestly, the researcher is not sure any projection of property taxes would be successful; there appears to be too many immeasurable factors that could exist between

school communities and at different times through the merger process. In addition, with the rich differences between local school communities, an affluent district may not have any reason – unless forced – to consider consolidating with a neighboring poor district. Currently the Duquesne School District may serve as a prime example of this variable. Because of its low socio-economic status and small tax base, no bordering districts would want to assume their decreased millage rates. Moreover, according to 2005 – 2006 PDE records, Duquesne School District had expenditures of over \$14.3 million dollars but only approximately \$2.5 million in local revenue generated and provided to the district. This large disparity would surely cause any neighboring district not to merge for strictly financial reasons.

However, the Secretary of Education, Dr. Gerald Zahorchak, chose an alternative plan for the impoverished district. Implemented during the summer of 2006 and rather than consolidating the entire district, the Secretary of Education, recommended moving grades 9 – 12 from Duquesne to the neighboring East Allegheny and West Mifflin School Districts. The Duquesne City School District now includes only a K- 8 system.

### **Savings in administrative costs**

If any forced or voluntary mergers were to occur in Pennsylvania, savings could be recognized in the ensuing administrative personnel reorganization. Only one superintendent and business manager position is necessary for the newly formed district. In addition, with the possible realigning of district schools, fewer principals are necessary to manage the buildings. Lastly, savings in administrative costs might increase because there would be no need to have repeated services, such as payroll clerks, benefit clerks, etc.

Although this research is isolated to Pennsylvania, a national study completed by Deloitte found potential savings in administrative, personnel costs and other costs through sharing of

resources (p. 17). Though technically not a type of merger and explained in another section in this paper, the sharing of resources between districts do illustrate potential savings for districts. S & P reports through the consolidating of buildings through a single district may save money in administrative fees as well (p. 24). In fact, cost savings could involve savings in instruction, support staff, pupil services, food service, and maintenance through a building consolidation or district merger process (p. 24).

The Fiscal Assessment Study (Education Management Group, June 2007) of the Monaca and Center Area School Districts provide an example to illustrate the probable savings in overall costs to the newly formed district. According to the report, eliminating the superintendent position, business manager, psychologist, school nurse, principal, maintenance facilitator, food service director and two secretarial positions would save around \$465,000 in salary and benefits (p. 30). Additionally, a projection of eliminating eight to twenty-three teachers in the school year 2009 – 2010 would provide added savings.

### **Improved academic offerings**

Consolidation of schools allows the schools to share courses and facilities (Nelson, 1985). Accordingly, the curriculum is more varied, because the increased enrollment creates less dropped classes. The Standard and Poor's Study recognized that improved academic offerings was the second biggest reason among superintendents to consider school mergers – after potential lower property taxes (2006). The belief is simple – bigger is better. Large schools have usually larger tax bases and can provide more teachers. A larger faculty allows for additional courses and programs. Smaller districts do not have enough students to justify offering the course [s] according to retired Halifax (Pennsylvania) Superintendent James Dull

(The Patriot-News, 2007). Therefore, the advanced courses are not in the curriculum – just the classes that are required for graduation.

On the surface it appears larger schools have the ability to offer Advanced Placement Courses. In Pennsylvania school districts that have 3,000 or more students, 92% of the schools offer AP classes. For schools with fewer than 3,000 students, only 51% of the schools only offer the courses (Standard and Poor's, 2007).

Although understandably, it is difficult to predict the exact extent of improved academic offerings between possible merged districts, the Education Management Group details the following about the Center Area and Monaca merger (p. 57):

- The merged district would have a broader more stable curriculum, which would insure consistency within the program of studies. An expanded, richer curriculum would be available to students not only in the Monaca School District but also in Center. Students in both districts would have access to courses heretofore not available.
- The consistency created by the merger would allow for expanded offerings within areas such as the arts and traditional programs that have been curtailed as the result of declining enrollment or lack of resources (e.g. accounting and other courses normally associated with traditional business education).
- The larger more stable district would be able to insure that in most cases courses would be available from year to year.
- The opportunity to provide students with alternatives to cyber/charter schools would increase.

- The merged district would have expanded facilities to support its academic and extra-curricular offerings.

### **Additional extra-curricular activities**

The same rationale for increased academic opportunities applies to the opportunity for additional extra-curricular activities within consolidated school systems. In theory and practice, larger school districts with larger budgets can offer additional programs. The theory of economy of scale exists here as well – a larger school system can afford and offer additional activities. A review of the athletic programs at the Center Area School shows the district currently offers twelve sports while Monaca only offers four sports. The troubled Duquesne School District only offered varsity football and basketball before the closing of the high school. For financially struggling schools, sports and activities are usually the first items removed from a budget.

However, is the prospect of more clubs and sports enough to begin merger discussions between districts? The clear and emphatic answer is no. By far, the expanded extra-curricular activities are more of an outcome of a merger rather than an advantage to combine school districts.

#### **2.1.6 What are the Potential Disadvantages to the Merger Process?**

Do school consolidations achieve or equal academic success, financial equity, or a better system of education for its school community? It would be quite simple to examine the advantages provided previously and offer three counter arguments. However, opponents of school consolidations – specifically small school mergers – address other areas as well. For example, what is the best size for a school system, and what are the possible outcomes of larger,

consolidated school systems? This section examines the best optimal size for a school district. In connection with the preceding questions, and in a Leadership Insider article, Strange and Malhoit offered another interesting question. Which type of school system (large or small) produces higher student achievement (October, 2005, p. 3)? The question is simple – do larger school districts have students with higher achievement than smaller school systems? Obviously, this question also needs addressing in any study that deals with discussion on merging smaller schools.

The two aforementioned authors, citing their own research, note the following as the overwhelming strengths of small schools:

- Students learn more and better.
- Students drop out less frequently and graduate at higher rates.
- Parents are more involved.
- Students are more satisfied and behave better, resulting in fewer infractions, both minor and serious (p. 3).

Nelson notes that combining schools may produce the following negative effects:

- More red tape
- Less participation in decision-making by teachers and administrators
- More tension between teachers and students
- Fewer situations for bringing about change
- More time, effort, and money devoted to discipline problems
- Less parent-teacher involvement
- Less human contact, producing frustration and alienation and weakening morale of both students and staff (p. 2)

In addition, Irmsher notes larger schools – perhaps the outcome of consolidations – prevent smaller learning communities, and females, nonwhites, and special needs students are served better in a smaller school setting (p. 3). A report entitled, *Is Bigger Better? A Comparison of Large District Size in Rural Areas*, notes “Overall, the research did not find any evidence to support the notion that bigger districts are better districts, in terms of costs, administration or academic achievement in rural Pennsylvania” (Yan, p. 4). Therefore, eliminating a smaller district could have the aforementioned negative consequences (noted from Nelson) occur within the new, larger district.

Lastly, as reported in a The Rural School and Community Trust internet site, additional harmful consequences include:

- Long bus rides
- Negative impact on the social and economic health of the community
- Increase in costs, particularly in transportation
- Higher dropout rates
- Increased anonymity in large schools
- Lower participation in extra-curricular activities by students and all school activities by parents and community members ([www.rural.edu.org/site](http://www.rural.edu.org/site))

## **Optimal School Size**

The research is varied on the optimal size of a school district (Bard, Gardener, & Weiland, 2005). However, Lawrence et al. note that a school district should have a student enrollment between 4000 and 5000 students. Citing a range of 260 to 2925 students, Augenblick and Myers (2001) believe this size school can “...offer a safe and nurturing environment, an appropriate curriculum, and extracurricular activities” (Bard et al, 2005, p. 8). Two researchers,

Howley and Bickel, indicate that school size should be predicated on the socio-economic status of the students or district. They propose that the lower the status of the district or student population, the smaller the school districts (Bard et al, 2005, p. 8). In addition, The New Rules Journal notes "...small school advocates suggest no more than 400 for elementary schools and 800 for secondary schools, although many recommend smaller sizes of fewer than 300 in elementary and 500 in secondary" (Mitchell, p. 3). These numbers pale in comparison to the recommended enrollments numbers proposed in the S & P report.

### **Student Achievement between Small and Large Schools**

As for student achievement between smaller and larger districts, the research is abundant. First, according to Darling-Hammond, there appears to be four main factors that affect student achievement in schools. They are (a) smaller school size – 300 to 500 students, (b) smaller class size, (c) challenging curriculum, and (d) more highly qualified teaching staff (Picard, 2003, as cited in Bard et al, 2005). A closer look at the comparison between small schools and student achievement creates intriguing research that truly could serve as its own dissertation topic. Kathleen Cotton (1996) reviewed over 100 studies on this comparison. She notes "Student achievement in small schools is at least equal and often superior to achievement in large schools"; "In addition, a large body of research in the affective and social realms overwhelmingly affirms the superiority of small schools" (New Rules, p. 3).

One could easily question exactly how to measure student achievement versus schools size. One could also question if student achievement is the major goal and is the ultimate

outcome of a school consolidation process. For example, Yan's study examined the scores of the PSSA, SAT, and ACT tests. In addition, Friedkin and Nocochea (1988), determined that "...the relationship between district size and achievement depends on the socioeconomic characteristics of students in the district" (as cited in Yan, p. 5) and school communities (Hannaway and Talbert, 1993 as cited in Yan, p. 5). Nonetheless, subsequent academic success and achievement will play an integral part of any merger study. It seems, though, there are many other variables to measure when conducting a merger possibility.

### **Transportation Issues**

There seems to be an additional cost disadvantage to school mergers – especially for rural districts – that policymakers and school directors need to examine closely. Consolidating schools may increase transportation costs for the new district offsetting the decrease in costs in other areas. Currently, some rural districts may spend 10% of the amount equal to what is spent on instruction (Strange and Malhoit, 2005, p.3). Creating longer bus routes at a distant school will only increase the costs. Transportation costs for rural districts are twice as much for transportation than urban districts and nearly 50% more than suburban districts (pg. 3).

Additionally, longer bus routes may affect the student progress adversely as well. Currently, students who attend rural schools endure long bus rides. A merger or consolidation may increase the travel time for students. A study by the Rural School and Community Trust shows that 85% of rural elementary students currently have bus rides of 30 minutes or longer (Leadership Insider, Strange and Malhoit, p. 3). The study also stated that one in four schools bus students twice as long. This time can have an affect on rural children "...robbing them of time to rest, study, and play" (Strange and Malhoit, p. 3).

Additional details on the aforementioned topics were also provided in the Standard and Poor's Study described in an earlier section.

### **Loss of Local Control**

State mandated or state supported mergers also signify the likely loss of local control by school communities. Imposed mandates, such as consolidation plans on districts, permit the loss of local control of the school directors. In essence, the local community loses decisive input in the operations of their school. Each school community is different and creates a school district based on the philosophy of the elected school officials. As Thomas Hutton, NSBA Staff Attorney notes, "As shapers of change, school boards are well placed to recognize and reflect local conditions and to identify local impediments (Hutton, 2005, p. 1). Mergers and consolidations can erode the local decisions. Keeping small schools may enhance the role of parents in the governance in their local school (Mitchell, p. 5). Stated differently, small schools may receive more attention from parents and community members than larger schools.

In conclusion, in a Deloitte Research Study, conducted in 2005, the following was stated: "Consolidation, though, can also have some serious downsides: it is politically unpopular, reduces local control, can negatively impact educational outcomes, and eventually can lead to even higher costs due to the dead-weight of bureaucracy...."

#### **2.1.7 Do School Consolidations Create any Consequences?**

"In small-town America, the school and the community are dependent upon each other for success" (Applegate, University of Oklahoma, 2008).

Besides the obvious outward, immediate effects on a school and its local community, a city or town may face some future “trickle down” effects from the result of school consolidation and the loss of its “hometown” school. This, of course, is predicated on the location of the school district. Different effects would occur if the merged districts were located in rural, suburban, or urban areas. This particular section highlights the consequences to a school system and the effects on the city/town where a former school may have been located. A merging of a school obviously will have consequences on a local community. The results become immediately observable or demonstrated years after the consolidation. Sell, et.al (1996), for example, note, “The impact of school consolidation on students is immediate, or nearly so; however, the impacts of consolidation on the respective communities – social and economically – may take place over several years” (Lyson, 2002). All of these factors could possibly change after a voluntary or forced merger. To what degree, though, may be difficult to estimate or calculate. Policymakers need to be aware of the effects on small towns if forced mergers occurred.

The researcher will first address the effects to a town that has lost its school through consolidation. The effects on a town after a merger has taken place depend on the location of the school district. It makes sense that different effects will occur in different locations. According to Lyson (2002), schools are critical to the existence of rural communities (p. 10). Money saved for a district after mergers could produce “...lost taxes, declining property values and lost businesses” (Lyson, p. 10). As for larger areas, the community still shows effects of consolidation but to a lesser extent. Lyson notes that larger areas have perhaps more civic places that help to replace a closed school system. As noted previously in this research, Pennsylvania is mostly a rural state. According to a Leadership Insider article, policymakers need to be aware of

the consequences of closing rural districts and at the same time promoting economic growth for particular rural areas (Strange and Malhoit, p. 3).

It is interesting to note and pose the following question: Do school closings (or mergers) hurt the existence of a town or is the reverse true? Perhaps the loss of manufacturing, retail, and other jobs cause people to move from a town. The dwindling population may add in the closing of a school system because of dwindling enrollments. Obviously, there is a fragile balance to the strength of a school system and the strength and longevity of a local economy.

A report completed by The Rural School and Community Trust sums up the consequences communities may face without a school system. The study conducted, by Lyson (2002), analyzed towns in New York State. It is safe to assume the same effects would occur regardless of the location of the towns and the state involved. Lyson discovered the following:

- Sixty percent of the communities with schools saw population growth from 1990 to 2000; only 46 % of those without schools grew.
- Average housing values in the communities with schools are 25 % higher than in those without schools. Their houses are newer and more likely to be served by municipal water and sewer systems.
- Communities with schools enjoy higher per capita incomes, a more equal distribution of income, less per capita income from public assistance, less poverty,<sup>red</sup> and less child poverty.
- Communities with schools have more professional, managerial, and executive workers; more households with self-employment income; 57 % higher per capita income from self-employment; a higher percentage of residents who work in the village; and fewer workers who commute more than 15 minutes to their jobs.

In addition to a shift in the economics of a consolidated district's "hometown," the culture or identity of a district changes as well – a type of loss of identity. Many towns in western Pennsylvania still support their own local school systems. It is still hard to imagine that Allegheny County includes 43 school districts. It is "who they are" or "what they become" on Friday nights in the fall during football season. In many small, economically depressed areas in western Pennsylvania, the school is the only bond that unites the community. As Nachtigal (1994) notes, the town is the hub of local activities and a major resource. In fact, in many communities, the school district is the largest employer. Fanning (1995) takes this a step further and explains, "...the important role the community plays in education" (2007, p. 2). In other words, the students' overall success could be related to the help the local community provides. A strong community usually indicates a strong school system, and both must work together. As Fanning notes, "When the school is an interwoven part of the community, both are potent educators" (p. 4).

In a Knowledge Works Foundation report entitled "Dollars and Sense: The Cost Effectiveness of Small Schools (2005), the idea of the loss of civic participation is noted within large school systems. As schools become bigger, citizens have less say over educational practices, budgets, and daily operations of a school. In other words, the local governance decreases; less people run for school boards. Since 1930, the number of school board members decreased from one million to less than 200,000 directors even the population of America doubled (p. 17).

Lastly, Rodolfo acknowledges in a 1988 ERIC Digest "...that after consolidation, regret and a feeling of frustration among members of the community will persist" (p. 1). Additional studies have indicated that once a school leaves a community, the population of the town

decreases, too. Whatever the negative effect of consolidations, the students suffer the most. Malhoit and Strange note, “In the end, it is children who suffer the consequences of misguided policies that take them out of their communities and put them into larger places far from home” (Leadership Insider, p. 4).

### **2.1.8 What are the Alternatives to School Consolidation?**

School districts received notification from the IU directors and Secretary of Education, Gerald Zahorchak, in October of 2007 detailing what may be the first step to school consolidations in Pennsylvania. The program entitled the “Common Cents” program has been funded with \$1 million by the state government; the purpose of the program is to help school districts examine the possibility of sharing services, such as insurance costs, utilities, and transportation services with other districts in the IUs or between IUs. Please refer to Appendix D.

The sharing of services would be coordinated through the Intermediate Units that service the districts. At first glance, this program appears to be a way to save money for districts, but as previously stated, it could represent the beginning of school district mergers. School districts in Pennsylvania already have participated in shared programs with the IU. For example, the Leechburg Area School District (IU 28) participates in a health care consortium and WAN (wide area network) internet system with its neighboring districts. Small districts for years have examined ways to save money and at the same time provide quality education for their students. This section emphasizes the different programs schools currently share with other districts. Realizing perhaps the present threat of consolidation, school districts have at least tried

to curb expenses through resource sharing with other local districts. Programs between districts include distance learning, cyber school initiatives, and shared athletic participation to name a few common shared areas. These alternative and unique ideas allow smaller districts to operate efficiently without having to consolidate with other districts.

### **Common Cents Program**

The Common Cents program is the latest attempt by PDE to help districts save money and potentially reduce property taxes. In the researcher's opinion, PDE will face an uphill battle in obtaining complete participation in this program from all 501 districts. On the surface, the program appears to be worthy of inspection. All participating school districts would examine ways of sharing the following services:

- Instructional services
- Transportation
- Food services and nutrition
- Safety and security
- Administration
- Purchasing
- Human resources
- Finances and payroll
- Technology services
- Facilities and real estate
- Health services

In the spring of 2008, the Pennsylvania Department of Education announced that 39 school districts representing 13 counties would participate in the Common Cents Initiative. The districts will have available consultant services to review the aforementioned categories to help determine if school districts can share services. The results of the consultants are non-binding but will be presented at future school board meetings.

However, after closer review, the program targets certain areas that just cannot logically operate between districts for various reasons. If school districts adopt the resolution and review the consultant's recommendations, the districts stand to relinquish even more local control of their districts. This program, in the researcher's opinion, will surely endure much scrutiny from the school districts in the Commonwealth.

### **Distance Learning Programs**

Another alternative to small school consolidation is the implementation of Distance Learning initiatives. Distance learning programs within public schools is increasing in popularity; today's technology allows rural schools to offer advanced courses at other neighboring schools. These classes are videotaped or sent over the internet to classrooms in more isolated areas.

### **Local Cyber schools**

Rural districts can enhance their curriculum by utilizing on-line or cyber courses for their classes. Many companies (examples include Compass Learning, National Network of Digital Schools, and Pearson) now produce quality general education and advanced courses that can be offered in the small school setting. Schools can offer many classes at once; all that is needed is a computer, internet connection, and a teacher facilitator. The facilitator serves as a guide overseeing students who might be taking geometry, advanced placement chemistry, or Latin

independently. In fact, depending on the class and student, some courses can be taken at home or offered during the summer. Many school districts in Pennsylvania currently use their Accountability Block Grant money to enhance and strengthen their curriculum in this fashion.

### **Shared services**

The idea of sharing services has occurred in the business world since the 90s. Many companies and government agencies have utilized this approach – the idea of sharing services such as accounting, transportation, and law enforcement. A Deloitte Research Study (2005) questioned bringing a plan of shared services to the educational landscape; in other words, offer the possibility of educating students in small districts but still have the buying power of larger districts through joint service projects between school districts. Regardless of the size of the system, the report noted that districts “can participate in shared services to improve the quality of their staff and internal capacities” (p.10).

Because of the thoroughness of the Deloitte report, the researcher believes it is worth noting some described opportunities for sharing services between school districts. It should be noted that the report was not isolated to Pennsylvania. However, no matter the location, school systems will deal with the same dilemmas other districts currently face. Deloitte divided the shared services into two groups – direct services to students and indirect services to the staff and faculty (p. 13). Direct services for sharing include instructional and transportation programs. Examples of indirect shared services encompass purchasing, administration, technology, facilities, and real estate (p. 13). As mentioned previously, the ARIN (IU 28) organization operates a health care consortium for its member districts to help keep employee contributions low. In addition, in 2006, with the help of a grant from the state, the IU joined a WAN (wide

area network) internet system with neighboring IUs to provide less expensive and faster internet services for its member schools.

The Deloitte Research Study listed seven advantages of sharing services between schools and/or districts. Of course, it makes sense that the biggest saving is money. The additional savings should benefit the original intent and focus – which should always be – on the students and their instructional programs. The seven benefits as described on pages 16 – 18 of the report are:

- Save money through decrease capital and administrative costs, instructional costs, lower personnel costs, and increasing revenue through selling of surplus materials.
- Gain economies of scale.
- Standardize processes – districts can save money by implementing like programs and offering staff development across district lines.
- Attract a diverse and qualified staff.
- Keep local control on instructional budgets while sharing non-instructional services.
- Shared services create an even playing field decreasing variations in specific types of services.
- Less political opposition – it is easier to gain support through sharing services than consolidating schools and/or districts.

Schools and IUs throughout the Commonwealth of Pennsylvania might be wise to let policymakers know and understand that sharing service programs already exist in many

locations. The Common Cents program seems to be an offshoot of practices that have occurred for many years between neighboring districts.

Two such resource-sharing programs already exist in Western Pennsylvania. The Learning Community, established in 1996, allows the Allegheny Intermediate Unit, Point Park College and five area high schools to share class via video conferencing. Also, the Regional Choice Initiative, coordinated by the Beaver Valley Intermediate Unit, offers, “cost-effective, high-quality programs and services that meet the individual needs of all students through collaboration among member districts” (Beaver Valley Intermediate Unit, 2008). To date, sixteen Beaver County school districts are members. Funded by a United States Department of Education’s Voluntary Public School Choice Grant, the program aims for the following:

- Provide parents with a varied menu of greater academic options
- Create a collaborative partnership of school districts
- Provide a replicable, inter-district, public school choice model (BVIU, 2008)

Perhaps what is needed is increased communication to PDE to alert them that many collaboration agreements already exist. Additionally, PDE can possibly offer incentives to districts and IUs that allow districts to study and continue with more collaborative agreements.

### **In school independent learning**

Smaller schools that might be combating the state or policymakers to consider merging have the ability to maintain quality education by operating in novel ways. “Small schools can be successful only if they change the relationship between teachers and students and take advantage of their size to do things differently” (Abramson, 2007, p. 1). To stay educationally competitive with neighboring larger schools, small schools must adapt their way of thinking and structure

their curriculum and schedule in unique ways. In the same article entitled "How Small is Too Small," Abramson recommends the following ideas for smaller school systems:

- Offer a full range of subjects as tutorials
- Create a larger library, media center with smaller conference rooms attached
- Provide each student with a computer station and desk at the library area
- Use the resources of a local college for possible advanced courses
- Use the resources of local businesses for career training opportunities (p.1-2)

These types of programs within smaller schools allow the students to stay educationally competitive with their neighboring larger schools. The mindset of the school board, faculty, and of course, students will need to shift to providing instruction in a non-traditional way. However, with the advances in technology, the possibilities are endless for ideas for small schools dealing with shrinking enrollments and higher costs.

Lastly, to ease the accompanying fears and apprehension of a possible consolidation, Rincones offers additional alternatives (ERIC Clearinghouse, 1988). School systems can undertake these initiatives or endeavors and occasionally with help from the state. Mostly, the assistance comes in the form of additional money from departments of education. These alternatives can also provide help when a school system is in financial trouble, but other external factors make the district non-conducive to an easy consolidation plan. In the S & P study, there were many small districts that were not hypothetically paired with any other districts basically because of their respective geographic locations. An example is the Apollo-Ridge School District (Armstrong and Indiana Counties). Options include of course, state aid, hiring dually certified staff, analysis of future school district demographics, and restructuring districts based

on community input. The last option provides collaboration between neighboring districts, but the “restructured design” is not recognized as a consolidated district.

## **2.2 WHAT IS THE CURRENT STATUS/FUTURE OF SCHOOL MERGERS IN PENNSYLVANIA?**

Besides the closely watched merger study between the Monaca and Center Area School Districts, there are a number of other districts in varying stages, at least discussing and analyzing the feasibility of combining school districts. The S & P study, as mentioned, created 88 hypothetical pairings of school districts. It is yet to be seen if any districts have taken these pairings and considered their recommendations. Highlighted in this section are examples of other studies and their status occurring now in Pennsylvania. What is described are only the current school districts being studied and a potentially volatile subject such as this can affect school board elections and the accompanying political stands they are running on. In other words, a feasibility study occurring two or four years ago may be obsolete with a new school board – and their individual or collective agendas – taking office.

According to the Pennsylvania School Boards Association, there are currently (as of fall of 2007) only two more districts actively studying the merger process currently in Pennsylvania. The study, conducted with the help from the Pennsylvania Economy League, involves the Halifax and Millersburg School Districts (Dauphin County). Both districts are utilizing the League at a cost of \$44,000. Additionally, both districts received a grant of \$12,500 from the Dauphin County commissioners to aid in the funding of a merger study between the districts. It

seems these two districts are at the optimal time to study a merger proposal; the reasons follow (Patriot-News, 2007):

- Both districts currently share special ed services
- Some sports programs are shared
- Both districts face separate renovation projects

The timing seems correct between these two districts. Obviously, the local school directors and school administrations of both schools believe the study is imperative to improving academics and lowering costs. It should be noted, though, an earlier request between the Halifax, Millersburg and the Upper Dauphin School Districts was rejected by Upper Dauphin because of the cost of the study. Whatever the outcome of the study, the districts have begun the process of consolidating by undergoing a merger study. The outcome of this study and the Monaca/Center Area school board vote could lay the groundwork for other districts contemplating the merger process. Ironically, though, the hypothetical merger between the Center Area and Monaca School District was not a part of the S & P Study. Moreover, as of March of 2008, the merger process between Monaca and Center Area was temporarily stopped; new school directors – in office since December of 2007 – need more time to study the consolidation process.

### **2.3 SUMMARY**

Summing up this particular section is vital to relating the information to the actual study and survey questions. In surveying the participants, the researcher wanted to understand their knowledge of school mergers. Although this section provides a deeper context, the researcher

was able to compare and contrast their perceptions versus actual, past studies. Furthermore, the researcher was able to create survey questions based upon past research and recent literature. Stated differently, many of the survey questions asked of the participants reflect current and past research on the topic.

It appears that the idea of mergers across the United States has created a mix of results – both positive and negative outcomes. Many states have undergone voluntary or mandated mergers. As stated previously, West Virginia, Kansas, and Wyoming are very active on the merger front and have confronted the pros and cons in some way or another. However, for every advantage of school mergers, there seems to be a corresponding disadvantage. An example might help to clarify this point. An advantage to school mergers is the possibility of realized savings in decreasing the administrative staff of the newly formed, merged district. Conversely, this savings may be lost to increased transportation costs with busing the students a longer distance. There appears to be little research on the analysis of the outcomes of mergers - either positive or negative. Judging a merger to be successful would mean that a hypothetical model would need created to study the outcomes if the two districts remained as individual districts. This model and corresponding results would then be compared to the results of a district that has undergone the merger process to examine the overall effectiveness of the merger.

Perhaps to remain neutral to the possibility of school mergers, the Pennsylvania Department of Education has initiated programs such as the Common Cents program to help districts begin to examine sharing resources rather than forcing mergers. Furthermore, individual school districts have become extremely resourceful in providing sound, academic programs while maintaining a fiscally responsible budget. Sharing of resources between districts, on-line

learning academies, and distant learning help smaller school districts offer the same classes as their bigger counterparts.

There are numerous variables to examine that offer insight to the exact effectiveness of a school merger. This literature provides a review of some of the major variables that surface with merger discussions. This literature review helped guide the researcher in the development of the research questions.

## **3.0 RESEARCH METHODOLOGY**

Chapter 3 contains the following sections: (a) statement of the problem, (b) research questions (c) methodology approach (d) selection of participants, (e) survey instrument, (f) data collecting procedure, (g) data processing and analysis, and (h) conclusion.

### **3.1 STATEMENT OF THE PROBLEM**

This study examined the perceptions of Pennsylvania school leaders on the 2007 Standard and Poor's school merger study and school merger knowledge in general. Specifically, the research focused on the perceptions of superintendents, school board presidents, and teacher association leaders.

A school consolidation or merger process between two districts is of interest to several key groups of individuals. A merger may or may not directly affect community and civic groups, Parent Teacher Organizations (PTO), and local elected officials. Although their insight and reaction to any merger potential is critical and perhaps pivotal, the researcher focused only on key school district personnel. Future studies on the same topic could include these multiple groups of stakeholders and yield some essential reactions.

Additionally, some of the research questions (and corresponding survey questions) focus on the overall climate or culture of a district. School culture is a key component to helping with school success and longevity. Interwoven in school history is school culture; the two seem to share a tight connection. The literature review addressed the role of school culture and history as an integral part of any merger discussions. Simply put, a district with a strong, rich history may not welcome any dialogue about merging with a neighboring district.

### **3.2 RESEARCH QUESTIONS**

The research questions are as follows:

- 1.) What is the awareness of key stakeholders of the S & P study?
- 2.) Have merger discussions occurred before within your school community? Why or why not?
- 3.) Would a merger of your school district be controversial? Why or why not?
- 4.) What are the perceived advantages/disadvantages of mergers?
- 5.) What would be the rationale for your district merging?
- 6.) If merging occurred, what are the likely issues to shape the implementation of the plan?

The researcher developed these questions based on the literature and the Standard and Poor's Study.

Even though the districts have probably not entertained the thought of merging, small school systems should be aware of the possibility. The research questions presented above serve as the basis for the survey questions. The researcher is interested in learning what the interviewees know about the S & P Study and school mergers in general. From the literature, the researcher discovered that the key advantages and disadvantages of the merger process were consistent in nature. Topics such as transportation, tax savings, academic enrichment, loss of community, loss of local control and academic success permeated all of the literature. The survey questions reflect the concerns.

### **3.3 METHODOLOGY APPROACH**

The researcher utilized a survey approach for the study. To construct answers, including similarities and differences for the research questions, survey statements and questions were developed based on the literature and the Standard and Poor's Study. However, before developing the survey questions, the researcher examined Merten's (p. 174) three factors that are critical to constructing a well-developed survey:

- Identify those who have access to the information
- Identify the characteristics of the people who have experienced the event in terms of the age or disability conditions
- Identify the type of information that may help determine the best source of information.

The first and third criterion demonstrates key points for the development of the survey. School superintendents, school board members, and teacher association leaders should readily have access to information on school mergers. Furthermore, the basis of the survey questions – the current literature and Standard and Poor's study supplies ample information to aid in the development of the questions. The second criterion appears to have no bearing on the study design. Although it is difficult to measure opinions and beliefs accurately, the researcher will utilize a survey and open-ended questions to ascertain the knowledge of the S & P study. Therefore, the purpose of this study is to examine and analyze the perceptions of the respective school board leadership, administration, and union leadership of the S & P study and mergers in general. The survey approach will serve as a model for determining and analyzing the decision-making processes and knowledge of the topic for all involved parties. These survey findings will serve as the basis for this qualitative research study.

### **3.4 SELECTION OF PARTICIPANTS**

The Standard & Poor's Study analyzed 88 school districts to develop 97 hypothetical school pairings for possible mergers. For the completion of this study, five school system pairings (equaling ten districts) comprise the basis of the research. Although some districts in the study were paired with multiple districts in the S & P study, this researcher randomly selected only one of those school districts for the study.

The following southwestern Pennsylvania school districts randomly chosen for the study include:

- Homer-Center and United School Districts (Indiana County)
- Jefferson-Morgan and Southeastern Greene School District (Greene County)
- Avonworth and Northgate School Districts (Allegheny County)
- Western Beaver and South Side Area School Districts (Beaver County)
- Cornell and Quaker Valley School Districts (Allegheny County)

The researcher believes it is essential to provide the rationale for the selection of these particular districts. The districts identified represent different southwestern counties in Pennsylvania. Allegheny County has four represented districts; the rationale for this deals with the high number of districts within the county. Additionally, if combined in their hypothetical pairs, the districts will have a student population for each “new district” - between 2000 and 2800 students. However, the researcher realizes that other variables may warrant consideration and believes that overall student population is a key to optimal school size. By comparison, if combined, Avonworth and Northgate would have a new student population of 2,865 students (S & P, Pt. 2 p. 30); Jefferson-Morgan and Southeastern Greene would have a combined population of 1,629 (p.272) and Homer-Center and United would have 2,269 students (p. 144). Combined, the Cornell and Quaker Valley School Districts would have a total enrollment of 2,712 students (p. 86). Lastly, if merged, the Western Beaver and South Side School Districts would have an enrollment of 2,314 (p. 299). The enrollment numbers represent 2003 – 2004 school years. Furthermore, the researcher realizes that these are not the only school pairings that reflect this particular student population. However, the districts also represent a certain section of Pennsylvania spanning five counties.

Key stakeholders representing the aforementioned districts include the school superintendents, school board members, and teacher association leaders. The researcher believes

it is imperative to include the major school representatives that would be directly involved with a potential school merger. Their specific roles and perceptions would be instrumental. Additionally, the responses garnered are purely individual and represent the participants' current thoughts, theories, and understanding of school mergers. The researcher realizes that school district personnel beliefs, including new board members and administrators, could be different since the study becomes a public document. However, that potential issue is reflected in the survey.

### **3.5 SURVEY INSTRUMENT**

SurveyMonkey, an Internet survey program, served as the instrument to collect the data. Because of the setting (schools) and timing of the study, the researcher believed an internet program would be the most effective, efficient means of conducting the survey and collecting the data. An instrumentation matrix should serve to connect the research questions to the survey questions. Additionally, the matrix will connect the research question to the participants of the survey. Because three representatives from the school districts (School Board Presidents, Superintendents, and Teacher Association Presidents) are surveyed, it is necessary to have three corresponding matrices.

Anonymity for the participants was preserved for the most part. However, because the district names are mentioned, participant names and positions are easily accessible from district websites or other means. Protecting their individual positions and beliefs on this topic is easily

accomplished. The on-line program utilized, SurveyMonkey, supports anonymity. Therefore, no clear connection between a response and specific individual can be accomplished.

The information below is representative of the matrix:

School Board President

Research Question	Survey Question
1.) What is the awareness of key stakeholders of the S & P study?	3, 5
2.) Have merger discussions occurred before within your school community?  Why or Why not?	4, 6, 9, 13, 15, 19
3.) Would a merger of your school district be controversial? Why or why not?	6, 14
4.) What are the perceived advantages/disadvantages of mergers?	7, 8, 11, 12, 17
5.) What would be the rationale for your district merging?	7, 8, 10, 11, 12, 18  Open-ended 1, 2
6.) If merging occurred, what are the likely issues to shape the implementation of the plan?	6, 7, 8, 9, 10, 11, 12, 13, 16, 17  Open-ended 1, 2

Superintendent

Research Question	Survey Question
1.) What is the awareness of key stakeholders of the S & P study?	7 Open-ended 2
2.) Have merger discussions occurred before within your school community?  Why or Why not?	8, 9, 17, 19
3.) Would a merger of your school district be controversial? Why or why not?	8, 9, 10, 14 Open-ended 1, 3
4.) What are the perceived advantages/disadvantages of mergers?	10, 11, 12, 13
5.) What would be the rationale for your district merging?	11, 12, 13, 15, 16, 18, 20
6.) If merging occurred, what are the likely issues to shape the implementation of the plan?	9, 11, 12, 13, 14, 15, 16 Open-ended 3, 4

Teacher Association President

Research Question	Survey Question
1.) What is the awareness of key stakeholders of the S & P study?	2, 6, 13
2.) Have merger discussions occurred before within your school community? Why or Why not?	5, 7 Open-ended 1, 2
3.) Would a merger of your school district be controversial? Why or why not?	5, 8, 10, 17 Open-ended 1, 2, 3
4.) What are the perceived advantages/disadvantages of mergers?	3, 4, 9, 10
5.) What would be the rationale for your district merging?	3, 5, 9, 14, 15 Open-ended 1, 2
6.) If merging occurred, what are the likely issues to shape the implementation of the plan?	3, 4, 8, 10, 11, 12, 13, 14, 16 Open-ended 1, 2

### **3.6 DATA COLLECTING PROCEDURE**

In late spring of 2008, letters were sent to the superintendents of each randomly selected school district. Additionally, as a follow-up, telephone conversations and personal discussion occurred to describe the entire study with the superintendents. The teacher association leaders and school board members were initially made aware of the study through the superintendents and corresponding letters. Please note Appendices E, F, G, and H for the letters provided to the superintendents requesting responses from school board president, teacher association leaders, and superintendents including the survey questions. As a courtesy, all questions for the survey participants were shared initially with the superintendents.

Once the superintendent reviewed the survey questions, he/she shared the respective SurveyMonkey website addresses for access from the participants during July of 2008. Furthermore, two follow-up emails were forwarded to the superintendents that contained clarification and the actual website address. The email communication is found in Appendices I and J. Data was collected until September 1, 2008.

### **3.7 DATA PROCESSING AND ANALYSIS**

Each participant had varying numbers of survey questions. Overall, the survey instrument was comprised of approximately 14 – 20 questions with an estimated completion time of 20 – 30 minutes. A complete breakdown of the number of survey questions per participant follow:

<b>Participant</b>	<b>Number of Closed-ended questions</b>	<b>Number of Open-ended questions</b>
Superintendent	16	4
School Board President	12	2
Teacher Association Leader	14	3

For many of the closed-ended, survey statements, a Likert-scale is used. This type of instrument is best for assessing attitudes or feelings about a particular subject. Furthermore, the open-ended questions allow for a deeper understanding of the study, knowledge, and discussions for potential mergers. The survey questions focus on similarities of opinions. The open-ended questions allow for a more detailed description of the hypothetical pairing process as well. By assessing the merger background with the random participants, the researcher hopes to gain the perspectives of key stakeholders for the total consolidation process – from the advantages, to potential disadvantages, the merger protocol, and the perceptions of future small school mergers in Pennsylvania.

For the open-ended question responses, the researcher hoped to utilize a coding method. However, with the exception of summarization only, the coding process does not fit well with any specific answers – mainly because each participant had differing open-ended questions and

coding could only be completed within each group. Instead, the researcher developed certain themes that developed from the open-ended statements.

This researcher is fully aware of the limitations of this study. Responses represent only a small part of the school community. However, since the school boards represent the community, it may be a fair assumption to believe that school boards followed the desires of constituents. The political stances of the superintendents and school board directors may create the most dynamic responses. The position of school board member and superintendent are very much political in nature. And the climate of a district may rapidly change with any discussion centered on the potential merging of a school district. Their responses may reflect their own beliefs, but may also mirror the thoughts of the board majority.

### **3.8 CONCLUSION**

Utilizing open and closed-ended questions, the research study uses a survey with the three central groups of school personnel. Based on the aforementioned research questions, the surveys hope to elicit the knowledge and perceptions of school mergers from these key groups, specifically at the local level. Additionally, the survey questions have a strong connection to the literature detailed in Chapter 2.

Chapter 3 highlights the background information, including methodology of the Standard and Poor's study on school mergers to provide a basis for this research. And, Chapter 3 details the methodology approach, the participants' selection process, survey instrument utilized, the

procedures involved to collect the data, and the data processing and analysis methods involved in the study.

Additionally, the Institutional Review Board of the University of Pittsburgh reviewed and approved this study in May 2008. The certificate of approval is located the Appendix K.

## **4.0 RESEARCH FINDINGS**

Chapter 4 presents the synopsis of the research questions. Divided into the following sections, Chapter 4 provides a deeper examination of the research: (a) introduction, (b) profile of the participants, (c) timelines of responses, (d) analysis of responses, (e) results and findings of the data, (f) comparison of responses between the groups, and (g) summary of Chapter 4.

### **4.1 INTRODUCTION**

The intent of this study is to discover the perceptions of key school personnel on the 2007 Standard and Poor's study on small school consolidations and additionally their overall knowledge of school mergers. This researcher recognizes that individuals (superintendents, school board presidents, and teacher association leaders) surveyed may not be aware of the report or have biases toward it. Because the participating districts were included in the initial Standard & Poor's study, a deeper knowledge and understanding of school mergers may have occurred. However, changes in leadership positions within the districts may have occurred since the initial Standard & Poor's study and the responses may reflect little knowledge of the study and mergers in general.

The guiding research questions presented in Chapter 3 were as follows:

- 1.) What is the awareness of key stakeholders of the S & P study?
- 2.) Have merger discussions occurred before within your school community? Why or why not?
- 3.) Would a merger of your school district be controversial? Why or why not?
- 4.) What are the perceived advantages/disadvantages of mergers?
- 5.) What would be the rationale for your district merging?
- 6.) If merging occurred, what are the likely issues to shape the implementation of the plan?

Chapter 4 presents the participants (and school profiles), the timelines to collect the data, the method this information was sorted to answer the research questions, and the results and discussion on the data. Stated in other words, Chapter 4 constructs themes around the similarities and differences between the survey participant's responses.

## **4.2 PROFILE OF THE PARTICIPANTS**

As a review, the following Pennsylvania school districts were chosen for the research study: Homer-Center and United School Districts (Indiana County), Jefferson-Morgan and Southeastern Greene School Districts (Greene County), the Avonworth and Northgate School Districts (Allegheny County), Western Beaver and South Side Area (Beaver County) and Cornell and Quaker Valley School Districts (Allegheny County). All ten districts were included in the Standard and Poor's Study.

Representing urban, suburban, and rural districts, these school systems provide a diverse background of representative schools in southwestern Pennsylvania. A chart portraying basic demographic statistics of each participating school districts appears below. The information depicted in the profile represents data from 2004 (S & P, Pt. 11, 2007).

**Table 4-1- Profile of Participating Districts**

Name of District	County	IU	Enrollment	Cost/Pupil	Debt
Homer-Center	Indiana	28	1,007	\$9,202	\$7,010,000
United	Indiana	28	1,262	\$10,196	\$1,984,000
Jefferson-Morgan	Greene	1	942	\$10,534	\$8,665,000
Southeastern	Greene	1	687	\$11,159	\$3,571,000
Avonworth	Allegheny	3	1,339	\$8,873	\$21,428,000
Northgate	Allegheny	3	1,526	\$8,868	\$10,223,000
Cornell	Allegheny	3	750	\$10,896	\$6,514,000
Quaker Valley	Allegheny	3	1,962	\$12,075	\$49,946,000
Western Beaver	Beaver	27	945	\$9,615	\$3,457,000
South Side Area	Beaver	27	1,369	\$10,709	\$22,229,000

### **4.3 TIMELINES OF RESPONSES**

These timelines depict the chronology of the study:

- 1.) April, 2008 – school sites were selected. Ten (10) school districts representing five counties in southwestern Pennsylvania serve as the basis for the study. The ten schools also were part of the original conclusions of the S & P Study.
- 2.) May, 2008 - surveys development. The actual survey questions originated from the research question matrices. Additionally, the literature review (Chapter II) serves as the background for the survey questions.
- 3.) July, 2008 – contact was made via telephone call to the superintendents of the selected school districts. Letters describing the research and survey were forwarded to the superintendents, school board presidents, and teacher association leaders. The letters contained the web address for completion of their individual surveys. Follow-up telephone calls and/or emails were written approximately two weeks after receiving the letters. To date, eight responses (out of thirty) have been submitted on the search engine SurveyMonkey. This represents a twenty six per cent (26%) response rate. Five responses from the superintendents and three from the teacher association presidents represent the eight responses.

4.) August, 2008 – Data analysis began. A general follow-up telephone call and email made to superintendents to encourage survey completion occurred two weeks after the initial request. During the week of August 11, 2008, 15 responses have been recorded. This represents an overall fifty percent (50%) rate. Eight out of ten superintendents responded (80%), two school board presidents (20%), and five teacher association presidents (50%) also participated. As of August 29, 2008, all ten superintendents responded for a one hundred (100%) rate. Eight out of 10 teacher association leaders (80%) responded and four out of ten (40%) school board presidents had completed the survey.

5.) September 1, 2008 – The survey response period ended.

Additionally, please refer to Appendices I and J for follow-up email communications between the researcher and superintendents.

#### **4.4 RECORDING OF RESPONSE RATE**

Section 4.4 highlights data on response rates and how data was sorted according to the research questions. An overall response rate of seventy three percent (73%) was achieved. Stakeholder response rates include:

- 1.) Superintendents – 100% rate
- 2.) School Board Presidents – 40%
- 3.) Teacher Association Presidents – 80%

The researcher believes there may be a number of reasons contributing the varying response rates among each group. Possible factors may include limited communication between the superintendent and school board president and teacher leader, a lack of technical knowledge in using an on-line survey program, the concern for anonymity, or the timing of the survey. Completed in the summer of 2008, the survey had a limited participation rate possibly because of vacations and other commitments, and perhaps, the school directors and teacher association leaders were unable to complete the survey. Regardless of the reason, the researcher was able to ascertain some information even from an overall response rate of 73%.

All 10 superintendents answered all the close-ended questions, but one superintendent did not answer the open-ended questions. There may be two possible explanations for the lack of response by the one. Perhaps the superintendent was unaware of moving to the section on open-ended responses on the web-based program. The other reason may be the questions and subsequent responses were too intrusive. This could cause the superintendent or district's identity or his/her personal philosophy to be compromised.

Eight of the 10 teacher association leaders responded to their respective surveys. Composed of both closed- and open-ended questions, their responses signify an eighty (80%) response rate. The leadership tenure for this group was between 11 and 15 years. Four leaders have served in their terms from six to 10 years.

Twelve closed-ended and two open-ended questions were part of the survey for school board presidents. Only four school board presidents completed the survey for a low forty (40%) response rate. However, the response rate actually is less than 40% because three board presidents did not answer closed-ended question number five.

## **4.5 RESULTS AND FINDINGS OF THE DATA**

Developed per the research questions, section 4.5 profiles the responses of the survey questions. Additionally, comparison and contrasts between the groups help create develop another dynamic of the study. As a review, the research questions are as follows:

- 1) What is the awareness of key stakeholders of the S & P study?
- 2) Have merger discussions occurred before within your school community? Why or Why not?
- 3) Would a merger involving your school district be controversial? Why or why not?
- 4) What are the perceived advantages/disadvantages of mergers?
- 5) What would be the rationale for your district merging?
- 6) If a merger occurred, what are the likely issues to shape the implementation of the plan?

### **4.5.1 Research Question 1: What is the awareness of key stakeholders of the S & P study?**

All of the superintendents were aware of the Standard and Poor's study. The teacher association leaders responded with mixed results to their knowledge of the Standard and Poor's Study. In fact, five association leaders indicated they heard of the study but did not review the study; two leaders had no knowledge of the study; only one teacher association leader reported he was very aware of the study. However, this correlates to the question about the schools providing copies of the report to the school leaders. Six association leaders reported they did not receive a copy of the report from school administration.

Additionally, only one board president indicated he/she was “very aware” of the Standard and Poor’s study. Two reported they had no knowledge of the study and one president indicated he/she heard of the study, but did not review it. With the limited understanding of the Standard and Poor’s Study, question one may influence the responses for the remaining research questions.

#### **4.5.2 Research Question 2: Have merger discussions occurred before within your school community? Why or Why not?**

Five superintendents responded there was never public discussion on mergers at their district. However, four superintendents reported public discussion has occurred and one reported a “no response.” In addition, five superintendents did not believe that their district or community would benefit from a merger although two reported a “yes” response and three were “undecided” on the community benefiting from a school merger. Those responses may serve as the central reason why discussions on mergers did not occur within these districts

When asked about merger discussions within their districts, two board presidents indicated minimal discussion, one indicated no talks occurred at all, and one reported some discussion at the local level. Three school board leaders indicated that public perception is against any mergers while one responded he/she was unsure. Additionally, school board presidents were asked to respond to this open-ended question: How do you believe your fellow school board members feel about your school district merging? All four school board presidents reported that their fellow board members would oppose any merger process. In fact, one response provided a powerful insight to their thoughts on mergers; the written response stated, “I

believe our board would be unanimous in their opposition to merging with another district. The past forced mergers in our area seem to have been disasters academically, financially, and socially.”

Furthermore, merger discussions may not have occurred because of student enrollment. Enrollment numbers or enrollment trends seem to play a large part in merger talks. The ten districts represented in the study had varying enrollment numbers. Five superintendents reported enrollments over 1,251 students, two indicated enrollments between 1,001 and 1,250 students, two responded enrollments between 751 and 1,000 students, and lastly, one school leader indicated an enrollment range of 500 – 750 students.

#### **4.5.3 Research Question 3: Would a merger involving your school district be controversial? Why or why not?**

Overwhelmingly, the superintendents believed the outcome of merger discussion would not be productive. Only one superintendent reported his/her district participated in a feasibility study on merging in the past. The remaining superintendents indicated that merger discussions would be somewhat controversial. In fact, when asked, “What do you believe would be the outcome of merger discussion in your district,” the following responses were recorded acknowledging a controversy would occur.

- 1.) At this time, the school board is totally uninterested in discussing, let alone pursuing any study of a possible merger. Any time I have brought up the

general topic of school mergers, the Standard and Poor's Report, etc., the board basically dismisses the subject and wants to move on to other topics for discussion" indicate a strong opposition to the merger process within these school systems.

- 2.) In my judgment, people would not be in favor of merging with another school district at this time.
- 3.) I believe a merger would not be endorsed. We are fiscally and academically sound and proud of what we have to offer being a small district.
- 4.) It would create significant controversy with many differing views being presented. Many would want to maintain the same local control while others would be willing to share control for what they believed to be advantages to students and other constituents.
- 5.) In smaller districts, the school is often the center of community activities. That is definitely the case in our district. People identify this area with the name of the school district. We are the center for student and community activities. The community frequently uses our facilities. Conversations about a merger would have a substantial impact on the culture of the community and the resident's sense of identity. In other words, the most important impact would be on the community more than the educational program.
- 6.) Our district was a merged district in 1972. It worked then, but the larger district we would merge with now would not be cooperative for the most part.
- 7.) Most folks would have no interest in any type of merger with another school district. There would be limited discussion and interest.

8.) This district has discussed sharing of services, has participated in sharing services, and has discussed possible mergers. Each situation has ended in a very negative fashion. At this time, the district has no plans to discuss or share services.

Five teacher association leaders indicated, to some degree, that their district would resist any merger process from the Commonwealth. Three teacher leaders reported their district would not consider merging at all. However, if a question to consider merging arose, the leaders indicated dwindling enrollment, saving money, and providing more choices academically as the reasons for consolidation. Lastly, if merger discussions did occur, the union officials reported that different steps from the teacher's union would occur to halt the process. Four key statements from those surveys trying to stop a merger process include:

- 1.) If we believed that it was NOT in the best interests of our students.
- 2.) The union and administration would stand together in educating the public about the negative effects of a merger.
- 3.) The Association would take whatever legal steps available and would also publicly support the District in its attempts to stop a merger.
- 4.) After studying the advantages and disadvantages of a merger, if the school board wanted to work to stop a merger, the union would support it.

#### **4.5.4 Research Question 4: What are the perceived advantages/disadvantages of mergers?**

All survey participants were asked this question. The researcher should note that the participants were to rank a list of provided advantages and disadvantages of school mergers. The two major advantages of school mergers reported by the school superintendents included an “Increased academic offerings” and “Increased extra-curricular activities.” The two biggest disadvantages reported were “Loss of small school appeal” and “More social issues/problems among students.”

As for possible advantages of school mergers, teacher leaders responded “Increased academic offerings” and “Increased extra-curricular activities.” This compares to the responses provided by the superintendents as well. For identifying potential disadvantages, the teacher leaders’ highest responses were “Greater accountability on staff” and “Loss of small school appeal.”

A number of considerations for school mergers were provided to the board presidents. These considerations also included possible advantages. The top two answers were the “Time is right for consolidation of schools” and “Decrease teaching staff.” Conversely, when asked to consider what may be the negative outcomes of a merger, the board presidents felt “Too large of a teaching staff” and “Too large of an administrative staff” as the top answers.

There was no ability to construct clarifying statements with the responses.

#### **4.5.5 Research Question 5: What would be the rationale for your district merging?**

Superintendents generally believe that their districts would take different steps to avoid any merger or consolidation possibilities. Their responses included contact local legislators, conduct a feasibility study, pass a resolution, and develop collaborative efforts between neighboring districts. However, the overwhelming majority argues that this discussion would occur if enrollments drop significantly and if their district could not provide “educational opportunities,” and were unable to share services with other districts effectively. Additionally, the superintendents appear to believe that a merger would not benefit their students. Only two of the ten responses from superintendents indicated that a merger would be of help to their students. Five superintendents reported a merger would not help and lastly, three were undecided.

When asked the open-ended question, “What do you think would be the number one reason your district would entertain a merger discussion,” the following statements were reported from the superintendents:

- 1.) I certainly can't speak for the entire district, but if the school system was failing to meet the needs of our students in a significant, that would be the main reason--for discussion purposes only. I'm not sure if they would even discuss it.
- 2.) Maybe if our students had greater options, but we have already handled that with cooperative sports agreements and distance learning.
- 3.) If it was felt the District could benefit its students and residents educationally and economically.
- 4.) The ONLY reason I believe any district would entertain the idea of a merger would be if the student enrollment declined substantially with resultant operational costs climbing to a point where it would not be economically feasible to continue to operate. In other

words, taxation would have to increase to a point that the public outcry would create the crisis point to consider change.

5.) A dramatic drop in enrollment could force the district to study the potential of merging.

Also, a dramatic loss in revenue may force the district to consider merging options. However, over the past 5 years, the district's enrollment has fluctuated by just 25 students. Further, over the past 40 years, though the district's enrollment has had its difficulties, with a difference of several hundred students marking the difference between the two extremes, the district's enrollment is at almost exactly the same point in 2008 as it was in 1968. I believe this simple fact is a primary influence in the board's lack of interest in even considering a merger.

6.) Increased opportunities for our students.

7.) Our school district would have absolutely no interest in the type of "mergers" that PDE is talking about. We would, however, welcome a merging of services and programs between and among local school districts.

8.) To provide educational opportunities to our students that we cannot provide as a small, rural school district.

9.) Once the district is unable to provide the current level of educational services utilized available funds and resources the district would have to evaluate all options and make a decision that would benefit not only the community but the students.

Additionally, teacher association leaders were asked: "Why would your school district consider merging?" The eight responses are as follows:

1) We are small and we are losing students.

- 2) If it was in the best interests of the students---provide more choices academically or athletically--then they would be on board.
- 3) I don't believe my district would consider merging.
- 4) Our district may consider merging for financial stability reasons.
- 5) They wouldn't.
- 6) There are three primary reasons: 2009-2010 budget deficit, enrollment of students is below 650 students (district wide), and students are in danger of not making AYP.
- 7) I do not believe they would consider a merger.
- 8) To save money.

The board presidents indicated they would support a merger if a reduction in the teaching staff occurred, the time was right for the district to consider merging, and there was increase in the number of extra-curricular activities. These answers somewhat connect to the responses about the potential advantages of school mergers. Finally, all school board presidents reported that their districts would oppose any merger plan from the PDE.

Tenure in leadership positions and the length within the community may play a role in district merging plans as well. New superintendents and school board members may not want to initiate any discussion on this topic. All board presidents indicated they have lived in their respective districts for over twenty years. Their tenure as board president, though, was divided somewhat evenly. One board president reported his/her presidency to be between six and ten years, two reported their tenure to be between eleven and fifteen years. In addition, one president indicated his/her time as president to be over twenty years.

Four superintendents reported that their tenure with their districts was between 0 – 5 years. Three indicated tenure of 6 – 10 years, one responded tenure between 11 – 15 years, and lastly, two superintendents indicated their term as over 15 years.

#### **4.5.6 Research Question 6: If a merger occurred, what are the likely issues to shape the implementation of the plan?**

This research question did not indicate if the merger was voluntary or forced in nature. Therefore, the researcher was only able to collect data from both open and closed-ended questions connected to any potential implementation of a merger plan. Obviously, to some extent, all stakeholders would need to work collaboratively to insure proper implementation of a merger plan.

Three superintendents indicated that the PDE is examining different areas to help districts rather than begin a mandated merger process. The superintendent's responses to the question suggesting that PDE may be laying the foundation for forced mergers provided a split response. Four superintendents indicated they were unsure of the state's plan for mandated mergers.

However, through responses in an open-ended question, the superintendents reported the shrinking student enrollments and the inability to provide for the students as the central reasons for entertaining merger discussions.

Three association leaders responded they would oppose a merger plan mandated by Pennsylvania. One leader reported a “no” response. However, four teacher leaders indicated they were “undecided.” If a merger were to occur, the possibility of cooperation between the union and school were mixed. The following chart depicts the responses to the statement, “If

applicable, the school district (administration and school board) would welcome your input on a merger study.

Your school administration would welcome association (union) input on a merger.

**Table 4-2 Survey Question**

Choices	Response Percent	Response Count
Strongly agree	25.0 %	2
Somewhat agree	12.5 %	1
Agree	25.0 %	2
Somewhat disagree	37.5 %	3
Strongly disagree	0.0 %	0
Undecided	0.0 %	0

In responses to favoring a merger, six union leaders reported unfavorable responses and four others reported, to some degree, that a merger within their district would have a negative effect. The responses correspond favorably to the survey question about the benefits of a merger being best for the district. Only three teacher leaders reported a merger would be best for their district.

Six teacher association leaders believe that the PDE is laying the foundation for future school mergers. If merging were to occur, though, all teacher leaders believed cooperation would happen to make it a success. Of the eight respondents, five reported that they believe mergers will be mandated in Pennsylvania within the next 10 – 15 years.

As stated previously, only two open-ended questions were included in the survey questions for the board presidents. Question 1 was, “How do you perceive your fellow school

board members feel about your school district merging?” All four board presidents reported their colleagues would oppose any merger. Question 2 asked, “Under what conditions do you believe your school district should ever consider merging?” The researcher believes their responses indicate a strong position taken by board presidents. Their responses are as follows:

- 1.) If circumstances arise to where it would benefit each district equally.
- 2.) It would have to be forced upon us.
- 3.) Possibly significantly increased long-term funding from the state and other major increases in financial incentives would get the board’s attention. The other major consideration would be priorities and quality of education. Our quality and culture would have to be dominant in any merger. Absolutely NO financial liabilities from another district would be considered. Our taxpayers already have an unfair burden in funding as stated previously in this response – they would not accept any more liabilities.
- 4.) If we could not run the district with a reasonable budget and started cutting our programs (courses) that we feel benefit the pupils.

#### **4.6 COMPARISON OF RESPONSES BETWEEN THE GROUPS**

Section 4.6 highlights the similarities and differences among the responses of survey participants. Because of the possible limited knowledge of the Standard and Poor’s study or the merger process, in general, the answers from each group do provide some intriguing responses. Unless the superintendent indicated to the other groups who were participating in the survey, no discussion on the questions between individuals should have occurred. Therefore, varied

answers are expected. However, whether the superintendent discussed this survey to board presidents or teacher association leaders individually or collaboratively is not easily interpreted.

The major similarities and differences deal with the perceptions of advantages and disadvantages of school mergers, thoughts on school mergers, and on reactions to any mandated merger process. All three groups indicated that an increase in academic offerings and extra-curricular activities would represent the major advantage of a merger. However, the school board presidents also reported that a decrease in the size of the teaching staff would be a benefit. The key disadvantages were highlighted by loss of a small school setting. All three groups indicated this response. Furthermore, additional disadvantages include too large of an administrative staff (reported by school board presidents) and greater accountability on the teaching staff (reported by the teacher association leader).

All groups indicated, to some degree, that their districts are against a merger at this time. The superintendents reported that their respective districts utilize programs as alternatives to mergers. Programs such as distance learning, on-line learning, and resource sharing between neighboring districts were suggested as alternatives.

Perhaps the strongest findings, in reaction to any forced mergers from the state level, came from all three groups. The majority of each group indicated they would oppose a process and take strong steps to insure their individual school districts. These steps include working collaboratively with the teacher's association and school district to reject a merger mandate. In addition, one school board president commented, "Our quality and culture would have to be dominant in any merger." This strong statement alone demonstrates the opposition to any mergers with at least one participating district.

#### **4.7 SUMMARY OF CHAPTER 4**

This chapter centers on the survey responses of the three major stakeholders within districts mentioned in the Standard and Poor's Study. As stated previously, the idea of school mergers – regardless of size – appears to be a concept that is gaining momentum throughout the Commonwealth of Pennsylvania and not just at the local level. The researcher is confident the survey responses, in some way, reflect the philosophies of key stakeholders on mergers representing small districts highlighted in the Standard and Poor's Study. Because no mandates exist currently in Pennsylvania for school merging, the answers should represent the present day, thinking of key district personnel. Additionally, the researcher believes that the responses in Chapter 4 may serve to highlight what these individuals perceive to be the advantages and disadvantages of mergers perhaps based on the knowledge of the Standard and Poor's Study. The answers may help to examine the outcomes at the local level if Pennsylvania mandated school mergers became law.

Paired hypothetically in the Standard and Poor's study with a neighboring district, overall, ten school systems in southwestern Pennsylvania were randomly chosen for this study and Chapter 4 reports the survey responses. The total number of surveys was 30, representing the superintendents, school board presidents, and teacher association leaders from each of the ten school districts.

An Internet survey program, SurveyMonkey, was utilized for completion of the survey. The superintendents played an integral part of disseminating the surveys to the participants; each participant received a letter with an Internet website address to complete the survey confidentially. Composed of closed and open-ended questions, the survey was distributed between July and August of 2008. The overall response rate again was 73%. The breakdown of

responses included 100 % participation rate of the superintendents, 80% participation rate of the teacher association leaders, and 40% participation rate of the school board presidents. Although a small sampling size was represented, the results indicate significant and strong feelings against school mergers.

It appears that any merger plans, either statewide or locally in specific southwestern Pennsylvania school districts, would meet with much resistance at least from these ten participating districts. In fact, the discussion of mergers may never reach the board level. The information gathered for this research was not finite in the sense that school mergers are the best plan for helping districts in any area. The responses, from all participants, seem to conclude that any merger plans would not be an easy process. Lack of understanding the merger process, little understanding of the original Standard and Poor's study, conflicting ideas on merger pros and cons, and a strong sense of small school appeal may serve as the fundamental reasons against the process. Differing ideas from board presidents, teacher association leaders, and superintendents elicited strong feelings regardless of the location of these southwestern Pennsylvania districts. If anything, unless it is a forced merger plan from the state, it is apparent that not too many districts are eager to begin merger discussions. Dwindling student enrollment and the inability to provide quality education appear to be the two biggest motives for engaging in discussions about potential school mergers. For these reasons, it appears that superintendents and teacher association leaders are receptive to exploring the need and potential for their districts to merge with another.

Additionally, with changing school leadership, and changing school board membership, it would be difficult, at best to continue any merger plans.

## **5.0 INTERPRETATIONS AND IMPLICATIONS**

Chapter 5 includes the following five sections: (a) introduction, (b), conclusions and commentary, (c) limitation of the study, (d) implications for future research, and (e) epilogue.

### **5.1 INTRODUCTION**

The point of this research study was to identify the outcomes and perceptions of the 2006 Standard & Poor's Pennsylvania Merger study on a random number of paired school districts including all key stakeholders within the respective school communities. The study additionally provided analysis on the stakeholders' knowledge on mergers – both individually and district-wide. Key stakeholders included superintendents, school board presidents, and teacher association leaders.

Six core research questions guided the study. The questions follow:

- 1.) What is the awareness of key stakeholders of the S & P study?
- 2.) Have merger discussions occurred before within your school community? Why or Why not?
- 3.) Would a merger involving your school district be controversial? Why or why not?

- 4.) Are you aware of the advantages/disadvantages of mergers?
- 5.) What would be the rationale for your district merger?
- 6.) If a merger occurred, what are the likely issues to shape the implementation of the plan?

## **5.2 CONCLUSIONS AND COMMENTARY**

This study attempted to understand the perceptions and knowledge of school mergers by core school personnel from ten school systems located in southwestern Pennsylvania. The researcher also hoped to realize the reactions of these individuals if the PDE mandated a merger process. Survey questions about the advantages and disadvantages of mergers, school district reaction to a merger, and background knowledge of the Standard and Poor's study (on Pennsylvania school mergers) served as key questions for the study. Section 5.2 highlights the key themes that resonate from the study.

Because of the individual school locations and cultures of each district in southwestern Pennsylvania, the researcher believes any attempt by the PDE to examine or force school mergers would have a negative effect. The Standard and Poor's study only examined small districts for possible pairings in the hopes of finding the ideal school size. School districts in Pennsylvania have wide ranges of student enrollment. Merging smaller and larger school districts may present even bigger challenges. Even though the aforementioned study examined

potential costs savings through decreases in per pupil spending, additional information in the literature and the results of this study offer conflicting information.

No responses from the survey participants alluded to the cost per pupil as the main impetus for studying the merger process. The open-ended responses from all groups centered on maintaining a sound academic program and remaining fiscally responsible. Only shrinking enrollments and the inability to meet the student's needs would cause the districts to review their stance on mergers. All participants believe their districts would not directly entertain merger discussions at this point. In fact, the school board presidents provided strong feelings against merger discussion. The Standard and Poor's study utilized data from 2004; this research study was completed in 2008. Enrollment number thresholds, what constitutes a sound academic program and fiscal responsibility are open to debate not just at this level in Pennsylvania but across the United States.

It is interesting to note that the survey questions detailing the advantages and disadvantages of mergers had responses based on the literature review. The researcher wonders what these responses would be had no choices been provided? Truly, if the participants were to complete the questions with no choices, the answers would reflect their own knowledge of the merger process.

If school mergers produced recognizable, excellent results, the school leaders may look at this course of action differently. However, every school district is in its own niche and at the current time, may, or may not be in need of considering any merger plans. Furthermore, there does not appear to be much research on the outcomes of school mergers in Pennsylvania. The reasons include few school mergers in recent history (the Center Area/Monaca merger was the first since the beginning of the Woodland Hills School District), lack of a before and after

merger comparison review, and the lack of time and energy for any school or state body (PDE) to study the results.

In other words, guaranteed favorable results may never occur or be measured easily. Too many variables could affect a fair comparison study. Each variable lends itself to further questioning. Questions such as the following prove the inability to determine a successful merger of districts and add to the depth of the research findings:

- 1) Were the merging schools located in communities?
- 2) What was the structure of the merger in relation to the number of elementary and secondary schools?
- 3) What was the business climate of the districts before and after the merger?
- 4) What were the per pupil costs before and after the merger?
- 5) How often is the review of the merger completed – for analysis of savings?
- 6) What was the local tax structure before and after the merger?

The above questions minimally reflect the small amount of factors for determining a successful merger plan. Any worthwhile positive benefits of school mergers may take years to realize completely. For these reasons, school merger discussions usually do not advance past the talking stage.

### **5.3 LIMITATIONS OF THE STUDY**

As with all research, there are obvious limitations. Limitations may surface in many facets of research including, but not limited to, sample size, survey question structure, response rate, and bias. Section 5.3 details the limitation of this research.

Because the closed-ended questions were developed with responses to choose from, the corresponding answers reflect only those particular items. Stated differently, the participants could only choose answers that were part of the survey. No opportunities to provide individual answers/input were part of the closed-ended questions. An example might help clarify this point. Each group was asked what they believe were the advantages of school mergers; however, all responses were the same for each group, too. This may have limited the participants from providing their own thoughts to the advantages of mergers. Conversely, though, the advantages provided in the responses were gleaned from the literature.

The overall response rate may prove to be a limitation as well. Twenty-two out of thirty stakeholders completed the survey for an overall response rate of 73%. The lowest numbers of participants were the school board presidents; only four out of ten participated in the study. The timing of the study may have proved a limitation as well. Distributed during the summer months while school is not in session may have an adverse effect on the participation and completion of the survey. Whatever the reason, it is difficult to generalize their perceptions with a low response rate.

Lastly, bias may play a role in the responses and summaries. It is not readily evident if any survey participants ever were involved in past school mergers or discussions at their either their current setting or previous school locations. Furthermore, a bias may occur based only on the participant's current knowledge of school mergers/consolidations. A bias may indirectly

occur based on the extensive news reports of the Center Area/Monaca merger. Because those districts are located in Beaver County, Pennsylvania and the research participants are connected with schools in southwest Pennsylvania, the news reports may have provided the only background knowledge for these participants and created a bias. Additionally, the researcher should note that he currently serves as superintendent at one of the schools mentioned in the Standard and Poor's study. This bias may have led to the development of questions that otherwise may not have been asked or the interpretation of the data.

#### **5.4      IMPLICATIONS FOR FUTURE RESEARCH**

This particular research project does provide several insights to the perceptions of school leaders/officials with the subject of school mergers. It appears that at the current time, no matter what may be occurring in other districts across Pennsylvania, these individuals and their respective school districts have no interest or desire in merging. They all believe their schools are educationally sound and financially stable. However, as with most research, these questions and responses have lead to more questions. Section 5.4 will address the insights of the school leaders and possible future, additional research questions/items.

Stated previously, the survey questions demonstrated that most of the school leaders had no desire to merge even if the Commonwealth of Pennsylvania mandated the mergers. The responses, especially the open-ended questions, all seem to highlight two key variables to their thoughts on mergers. The two key areas are maintaining a financially stable district and being able to provide an educationally sound academic program. It is important and interesting to note

that other features of merging – both advantages and disadvantages – were not mentioned.

Revealed in the open-ended questions were only the ability to provide a sound academic program and financial stability within the districts.

Yet, that is where the research becomes cloudy. By focusing on only these two areas, the researcher surmises that the stakeholders believe that all aspects of school operations could fall under within these two categories. With school districts at different steps in their academic growth and perhaps changing economic demographics, how would a district ever ascertain when the optimal time is to merge with its neighboring district? Do the schools merge to become better educationally? Do they consider merging to lower property taxes? Do the school districts join for one or another and hope other advantages will follow? Because of the differences of each school, the researcher believes it would be very difficult to find two neighboring districts, with somewhat comparable factors, that would benefit with a merger process. Stated differently, the school districts would not have equal footing and stand not to experience a complete win-win situation if merging occurs.

Moreover, because merger research appears generally mixed with advantages and disadvantages, school districts truly are taking a chance expecting merging will solve their problems or address their concerns. There is no guarantee that a merger between neighboring districts creates success in academics or lowering taxes. In fact, the opposite may be true. A small district that merges may find itself at the mercy of a larger district. It truly depends on the location of the districts that are contemplating merging. Other issues, such as increased extra-curricular activities, may be offset by longer bus rides and less social or academic time among the students. The decision among school boards to merge is truly a difficult one. Perhaps that is why the rate of mergers is so low in Pennsylvania.

As acknowledged earlier, the research presented in this paper lends itself to additional questions and possible research. More issues arise when examining the intricacies of a school district and school community. There are possible numerous answers because of the many likely variables that affect the issue. The issue of a school merger is not simple; there are both simple and complex items at play and interwoven in the entire context of the topic. Obviously, it is imperative to examine all areas of a school merger. With a fluid and changing demographic of a school community, a successful merger may result in mixed results.

The following questions represent a few of the potential scenarios for further research:

- 1.) When is the ideal time for a school system to consider merging?
- 2.) What is the lowest student enrollment a district can withstand?
- 3.) What is the number one reason a district should consider a merger?
- 4.) What are the options to consider or oppose merging?
- 5.) What is the highest cost per pupil spending a district can tolerate?
- 6.) What role does a community play in the merger process?
- 7.) Are mandated mergers successful?
- 8.) What other stakeholders should be included in merger discussions between schools?

These questions and many more arise in the topic of school mergers. The unfortunate thing, though, is many of those questions have no clear answers. Therefore, it appears that the idea of school mergers truly depends on the individual climates of the schools and school communities at any given time. Changes in school leadership, including superintendents and school boards, can begin, halt, or alter any close deliberations of school mergers. Additional studies may provide a better insight to the advantages and disadvantages of school mergers on a large scale, but only the individual districts can determine if merging is best for them. Even then, if the

districts choose to join, they can only hope the decision to merge yields sustainable, positive results.

In closing, perhaps, the Pennsylvania Department of Education may have the final say on school district mergers. Once the State Board of Education approved the Center Area and Monaca School Districts merger, Secretary of Education Dr. Gerald Zahorchak notes that dialogue on school mergers between districts is going to increase. “These conversations are going to inevitable,” he notes in a 2008 Washington Post article about the Center Area and Monaca School Districts and possible future mergers (2008). Although currently it is purely up to the local districts to voluntarily merge, Dr. Zahorchak believes small districts should examine ideas about pooling resources but manage enrollment numbers of students. In the same Washington Post article, Secretary Dr. Zahorchak states, “Let’s buy big, and deliver small” (2008). Additionally, Dr. Zahorchak notes that districts should follow the lead of the Center Area and Monaca School Districts. In a recent Pittsburgh Post-Gazette article, Dr. Zahorchak states, “There are too many districts graduating too few students. When you’re graduating fifty or sixty or seventy from your senior class, it’s hard to offer them everything they should have. And often these districts are right on top of each other” (September 2008).

## **5.5 EPILOGUE**

In summary, the researcher believes this work contributes to the literature on school mergers and/or consolidations. Current writings and reports on this topic seem to focus on the pros and cons of the merger process and the general outcomes of the school mergers. However,

that research, which is representative of many states, demonstrates mixed results. However, as mentioned in Chapter 1, the debate for mergers in Pennsylvania seems to focus on the following:

- 1.) Mergers save money by reducing costs, and
- 2.) Academic achievement will occur through an expansion of resources (PSBA Bulletin, December 2006).

This particular research examined the perspective of school mergers in southwestern Pennsylvania by key school personnel. Their knowledge of mergers, comprehension of the Standard and Poor's merger study, and perceptions on any local merger plans or process highlights the current thought process of ten school districts. No major literature currently exists on Pennsylvania school mergers – especially research that includes superintendents, school board presidents, and teacher association leaders as survey participants. The researcher is hopeful the summaries contained in this report offers insight to the current rationale on school mergers.

As with all research, the questions and answers lead to the development of additional inquiries. This research is no different. The foundation of the research readily can evolve into deeper study. It is readily apparent that any merger plan in southwestern Pennsylvania would meet with resistance, not only at the local level. Additionally, with the structure of the survey questions, it appears that the key school personnel, perhaps with the exception of the superintendents, are simply unaware of the intricacies of the merger process. This is not to be a negative comment; it simply means that because mergers are not prevalent in Pennsylvania, the school personnel may need additional education on the entire procedure.

In closing, with the recent merger between the Center Area and Monaca School Districts in Beaver County, Pennsylvania, it seems apparent the groundwork has been laid for additional studies and possible school merger scenarios. Moreover, with the Standard and Poor's study on

Pennsylvania's school merger report, many school districts may find themselves examining the process in the near future. This research may provide in-depth thoughts and perceptions of key school personnel for those districts facing or contemplating the merger process.



## **APPENDIX A**

### **SENATE RESOLUTION 208**

PRIOR PRINTER'S NOS. 1447, 1904

PRINTER'S NO. 1965

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### **THE GENERAL ASSEMBLY OF PENNSYLVANIA**

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#### **No. 208 Session of 2006**

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INTRODUCED BY WOZNIAK, FONTANA, LAVALLE, COSTA, WENGER, O'PAKE,  
BOSCOLA, KITCHEN, PILEGGI, ERICKSON, EARLL, D. WHITE, MELLOW,  
RAFFERTY, STACK, WONDERLING, C. WILLIAMS, WAUGH AND RHOADES,  
JANUARY 3, 2006

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AS AMENDED, JUNE 29, 2006

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#### **A RESOLUTION**

- 1 Directing the Legislative Budget and Finance Committee to study
- 2 the cost-effectiveness of consolidating school districts in
- 3 this Commonwealth.
  
- 4 WHEREAS, This Commonwealth has 501 school districts that
- 5 operate independently with respect to governance, budgetary
- 6 matters, procurement of goods and services, staffing and many

7 other issues; and  
8 WHEREAS, Having so many school districts may be significantly  
9 inefficient from a financial and funding perspective; and  
10 WHEREAS, A reduction in the number of school districts may  
11 improve the cost-effectiveness of operating the vast public  
12 school system in this Commonwealth; and  
13 WHEREAS, A comprehensive study on the advantages and  
14 disadvantages of a public school consolidation needs to be  
15 conducted; therefore be it  
16 RESOLVED, That the Senate direct the Legislative Budget and  
17 Finance Committee to study reducing the number of school

---

1 districts in this Commonwealth in order to:  
2       (1) Determine whether, by consolidating school  
3 districts, smaller and more rural districts could save money  
4 in regards to purchasing power of supplies and services.  
5       (2) Analyze whether services could be consolidated, much  
6 like many municipal services on other levels, by  
7 consolidating school districts.  
8       (3) Study the effects of consolidation on transportation  
9 issues, logistical issues and other situations that may not  
10 be considered on the surface.  
11      (4) Investigate whether, by pooling State moneys  
12 together to provide better services for more rural school  
13 districts, the Commonwealth could run a more efficient and  
14 ultimately a better system of education for its young people.  
15      (5) Evaluate whether, by consolidation of school  
16 districts at the county, intermediate unit or other level,  
17 larger school districts could provide more services such as  
18 extensive special-needs programs, after-school programs and  
19 other means that poorer districts traditionally cannot  
20 provide or afford;  
21 and be it further  
22 RESOLVED, That the Legislative Budget and Finance Committee  
23 report its findings and recommendations to the Senate no later  
24 than December 31, 2006 JUNE 30, 2007.                  <--



## APPENDIX B

Number of Pennsylvania School districts (10 year intervals)

School Year	Number of Districts	Change in Districts
<b>1899-00</b>	2510	<b>xx</b>
<b>1909-10</b>	2599	<b>89</b>
<b>1919-20</b>	2590	<b>(9)</b>
<b>1929-30</b>	2585	<b>(5)</b>
<b>1939-40</b>	2552	<b>(33)</b>
<b>1949-50</b>	2530	<b>(22)</b>
<b>1959-60</b>	<u>2277</u>	<b>(286)</b>
<b>1969-70</b>	<u>339</u>	<b>(1894)</b>
<b>1979-80</b>	<u>505</u>	<b>(164)</b>
<b>1989-90</b>	<u>501</u>	<b>(4)</b>
<b>1990-00</b>	<u>501</u>	<b>xx</b>

Source: Pennsylvania Department of Education



## **APPENDIX C**

## Public, Private, and Nonpublic Enrollments

1997- 98 through 2006 – 07

		<b>TOTAL</b>			<b>ELEMENTARY</b>			<b>SECONDARY</b>	
	Total	Public	Priv/Nonpub	Total	Public	Priv/Nonpub	Total	Public	Priv/Nonpub
97-98	2,147,776	1,815,151	332,625	1,240,104	990,351	249,753	907,672	824,800	82,872
98-99	2,147,792	1,816,414	331,378	1,232,144	984,678	247,466	915,648	831,736	83,912
99-00	2,147,736	1,816,716	331,020	1,223,695	977,253	246,442	924,041	839,463	84,578
00-01	2,141,464	1,814,311	327,153	1,209,342	966,889	242,453	932,122	847,422	84,700
01-02	2,142,718	1,821,627	321,091	1,195,901	959,797	236,104	946,817	861,830	84,987
02-03	2,129,792	1,816,747	313,045	1,171,217	942,253	228,964	958,575	874,494	84,081
03-04	2,123,868	2,123,868	302,722	1,153,679	933,445	220,234	970,189	887,701	82,488
04-05	2,119,481	1,828,089	291,392	1,144,937	934,544	210,393	974,544	893,545	80,999
05-06	2,111,589	1,830,684	280,905	1,134,161	931,415	202,746	977,428	899,259	78,159
06-07	2,095,535	1,821,383	274,152	1,124,980	929,253	195,727	970,555	892,130	78,425

Note: PreK enrollments were included beginning in 2004-05.

Total enrollments in 2006-07 decreased for the fifth consecutive year, while elementary enrollments decreased for the ninth consecutive year. Since 1997-98, secondary enrollments increased yearly through 2005-06 and then decreased.

Public enrollments increased 0.3%, and public secondary enrollments increased 8.2% between 1997-98 and 2006-07. Over the same period, public elementary enrollments had a 6.2% decrease.

Private and nonpublic enrollments continued an overall decline from 1997-98 to 2006-07. Elementary enrollments declined every year, with a 21.6% decrease from 1997-98 to 2006-07. Secondary enrollments had a 5.4% decrease during this period.

Source: Pennsylvania Department of Education, 2008

## **APPENDIX D**

### **Common Cents Program**

**Source: PDE 2007**

### **Pennsylvania Department of Education**

#### **Common Cents/Shared Services Initiative for FY 2007-2008**

#### **Program Status Update**

**October 10, 2007**

#### **Overview / Purpose**

Governor Rendell proposed the Common Cents/Shared Services Initiative as part of his General Fund Budget recommendations to the General Assembly. The General Assembly and the Governor approved this appropriation for FY 2007-2008.

The Common Cents/Shared Services Initiative is a competitive program designed to encourage school districts to share services with one another in order to increase the efficient use of taxpayer resources and improve service delivery for students.

The Pennsylvania Department of Education (PDE) plans to foster this effort by facilitating individual school district studies to provide recommendations regarding potential efficiencies and cost savings that may be obtained through the combining/sharing of eleven (11)

specific services or activities among school districts within a participating/selected intermediate unit region. The Department will provide professional consultant services at no cost to participating intermediate units and their member public school districts.

The consultant will conduct studies and provide specific recommendations about combining services and activities across participating school districts within each intermediate unit in order to promote improved service delivery, efficiency, economy of operations, and cost savings. The consultant's review will encompass each of the following service areas for each participating school district:

- (1) Transportation
- (2) Food services and nutrition
- (3) Instructional services
- (4) Safety and security
- (5) Health services
- (6) Purchasing
- (7) Finance and payroll
- (8) Facilities and real estate
- (9) Human resources
- (10) Technology services
- (11) Administration

Each study's recommendations may also include sharing of services or activities with a municipality. The recommendations, however, are not binding upon any participating school district. School districts would decide which of the eleven service area recommendations to adopt for implementation.

The consultant will issue reports to PDE and participating school districts within Intermediate Units (IU) selected to participate in the Common Cents Initiative. The consultant will also be available to present and discuss the report/recommendations during a public meeting conducted by each of the participating school districts. The consultant develops and provides to the school district, PDE and the IU a written implementation plan for each service area

recommendation adopted by each individual school district within the intermediate unit's region. Finally, the consultant provides assistance to each school district, as required, to implement the recommendations.

The Request for Proposal (RFP) was posted on the DGS and PDE websites. PDE received three bids and is currently in the final stages of evaluation. PDE will be awarding the consultant's contract within the next two weeks. The IUs and school districts do not participate in this process.

### **Process**

Each IU council meets with its school districts to discuss participating in the program. Each IU will submit an application identifying only those school districts who are interested in participating in the Common Cents Program. Applications to participate in the program must be submitted to PDE no later than November 15, 2007. Two IUs may apply jointly if the districts contained in these geographical areas agree, but an IU may not submit more than one application.

### **Selection Criteria**

PDE will select IUs, and their designated school districts, to participate in the program through a competitive process. Preference will be given to applications that include:

1. 100% participation from all school districts within an intermediate unit
2. Joint IU applications
3. Low-wealth and/or academically challenged districts, and
4. To ensure geographic diversity

### **Duties and Responsibilities of Intermediate Units and School Districts**

## **School Districts**

- 1) Each participating school district's board of school directors passes a resolution setting forth the board's agreement to participate in the program and certifying that the board will comply with the requirements of Section 807-A of the Public School Code as amended.
- 2) Each school district must cooperate with the consultant during the time of the study.
- 3) School districts must provide required data and information requested by the consultant so long as the disclosure is consistent with Federal or State Statutes protecting confidentiality of certain information.
- 4) Each school district must make relevant staff available for interviewing by the consultant.
- 5) Upon completion of the study each school district shall post the report on their School District website for a period of 30 days for public review.
- 6) Each school district shall have at least one public meeting to discuss the consultant's recommendations and receive input from the general public regarding these recommendations.
- 7) Within six months from the receipt of the consultant's report each school district's board of school directors shall vote whether to pursue each separate recommendation contained in the consultant's report.
- 8) Each school district's board of directors forwards the result of the vote on each recommendation to the intermediate unit council and to PDE.
- 9) Each school district adopting the consultant's recommendations receives an implementation plan from the consultant.
- 10) Each school district implements the consultant's plan for the school district and provides status reports to PDE.

## **Intermediate Units**

- 1) Each IU convenes a meeting of the IU council to discuss the program and develops an application to participate in the Common Cents Program.
- 2) No later than November 15, 2007, each IU submits its application to PDE.
- 3) Each IU coordinates/facilitates as necessary the consultant's activities within and among its member school districts.
- 4) Each IU must cooperate with the consultant during the time of the study including providing required data and information requested by the consultant so long as the disclosure is consistent with Federal or State Statutes protecting confidentiality of certain information.
- 5) Each IU must make relevant staff available for interviewing by the consultant.

- 6) Each IU receives the results of each of its member school district board's vote on each recommendation.
- 7) Each IU council reviews each board's resolutions and forwards a written request for the consultant to create an implementation plan for any recommendation approved by the member school districts.
- 8) The consultant's recommendations do not need to be approved by all of the IU's member school districts. Only the school districts that adopt the consultant's recommendations are included in the implementation plans.
- 9) Each IU council receives copies of the consultant's school district implementation plans.

### **Timeline**

11/15/2007 Deadline: IUs, on behalf of their eligible school districts, submit applications to PDE.

12/14/2007 Deadline: PDE announces the participating IUs and their eligible school districts.

12/14/2007 thru 02/22/2008: Consultant works with participating school districts to collect and review data and other information. This includes interviewing pertinent school district staff/personnel to develop written recommendations regarding the combination of services to promote improved service delivery, efficiency, economy of operations and cost savings among school districts.

04/25/2008: Consultant issues completed report of recommendations in both electronic and written form to each participating school district, IU, and PDE.

04/25/2008 thru 06/30/2009: School Districts post the consultant's recommendations on their school district's Internet website for 30 days and, in addition,

must hold a public meeting for discussion and comment on the consultant's recommendations:

- Within six months of the receipt of the consultant's report, the board of school directors shall vote on each recommendation separately, whether to pursue each recommendation contained in the consultant's report.
- Approved recommendations are forwarded to the IU and PDE. The IU provides a written request for the consultant to develop written plans to implement each of the recommendations adopted by each of the participating school districts within the IU.
- Consultant will have thirty (30) working days from receipt of the IU's written request to complete a written Implementation Plan for those school districts that accept any or all of the report's recommendations.
- Completed Implementation Plans are provided to the school district, PDE, and the IU.

### **Recommendations From the Consultant's Study**

Recommendations from the consultant's study will not be binding upon any school district participating in the Common Cents Initiative. The recommendations prepared for the participating school districts may also include sharing of services or activities with a municipality.

### **Implementation Plan**

The consultant's implementation plan for each school district adopting the various recommendations shall list potential suppliers, including any intermediate unit, for each of the services provided and may include sharing of services or activities with a municipality. However, the implementation plan may not recommend a single supplier for any service. Only those school districts that approved specific recommendations will receive an implementation plan.

### **Resultant Cost Savings**

Each school district shall expend funds realized through the cost savings resulting from implementing the consultant's recommendations for academic purposes in the schools or the school district. For the purposes of the Common Cents Program, academic purposes include the following:

- a) professional development
- b) student supplies

- c) textbooks
- d) classroom technology
- e) school safety
- f) improvement of classroom facilities
- g) any other instructional activity directly affecting student performance or the learning environment.

School districts may use such funds first to pay for any one-time expenditure that may be required to implement the consultant's recommendations.

### **Submission of Applications**

IUs must submit applications to PDE no later than November 15, 2007, for the 2007-2008 fiscal year program. The IU application must include a resolution by each member school district board of school directors setting forth its agreement to participate in the study and certifying that it will comply with the requirements of Section 807-A of the Public School Code as amended. Applications and sample board resolutions have been provided to each IU's Executive Director and all school district superintendent.

Completed applications should be sent to:

Pennsylvania Department of Education  
Bureau of Budget and Fiscal Management  
Fiscal Management Division  
Attention: Jeannine Weiser  
333 Market Street, 4<sup>th</sup> Floor  
Harrisburg, PA 17126-0333

**Source: PDE 2007**

## **APPENDIX E**

### **Letter to Superintendents Requesting School Director Input**

#### **SCHOOL DISTRICT LETTERHEAD**

Dear School Board President,

I am pleased to introduce James Budzilek, a doctoral student at the University of Pittsburgh currently working on his dissertation research study. Mr. Budzilek is conducting a research study regarding the 2007 Standard and Poor's report entitled the "Study of the Cost-Effectiveness of Consolidating Pennsylvania School Districts." He has identified you as a possible candidate to participate in his research study based upon your involvement with the School Board.

The research study will investigate your knowledge of the aforementioned study, your perceptions of the study, and your ideas of the outcomes of school district merging. No compensation will be provided for participating in this research study. However, this information may assist school districts throughout the Commonwealth of Pennsylvania in studying school mergers.

School Board Presidents who participate will complete survey questions and open-ended questions. The entire survey should take no longer than 20 – 25 minutes to complete.

Participation in this research study is voluntary and all information collected from this study will be kept confidential by the researcher.

The survey is an on-line survey and can be found at [www.surveymonkey.com](http://www.surveymonkey.com). Prior to completing the survey, please contact Mr. Budzilek with any questions or concerns. He can be contacted at [jacm@zoominternet.net](mailto:jacm@zoominternet.net) or xxx-xxx-xxxx.

Sincerely,

Superintendent

## **APPENDIX E (cont.)**

### **Questions for the School Board's President of the Paired School Districts**

#### **Closed-ended questions**

1.) How many years have you lived in your respective communities?

1= 0-5 yrs. 2=6-10 yrs. 3=11-15 yrs. 4=16-20 yrs. 5=>20 yrs.

2.) How many years have you served on your respective school board?

1= 0-5 yrs. 2=6-10 yrs. 3=11-15 yrs. 4=16-20 yrs. 5=>20 yrs.

3.) Has the topic of school consolidations ever been discussed within your school community?

1 = Not at all    2 = Minimal discussion    3 – Some discussion    4 = Much discussion

4.) In 2007 Standard and Poor's released a study commissioned by the Legislative Budget and Finance Committee on the possibility of small school consolidations in Pennsylvania. How aware of are you of this study?

1=Very aware 2=No knowledge at all 3=Heard of study but did not review the study

5.) If you are familiar with the study, what neighboring school district were you paired with?

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6.) What has been the public perception on your district merging with a neighboring district?

1 = For consolidation    2 – Against Consolidation    3 – Unsure of merging potential

7.) According to current research, there are many positive reasons given for merging schools. Please rank in order of importance the following items you would consider for considering a school merger. Number 1 is the most important and number 7 is the least important.

- Potential lower property taxes
- Increased academic offerings
- Increased extra-curricular activities
- Time is right for consolidation of schools
- Decrease teaching staff
- Decrease administrative staff
- Other Please state \_\_\_\_\_

8.) Also according to research, there are certain drawbacks for school consolidations. Below are listed the major drawbacks. Please rank in order from 1 – 8 (1 is the most important against mergers and 8 is the least important) the items that would hinder a merger process.

- Increased class size
- Longer transportation/bus routes
- School system would become too big
- Loss of hometown school
- Too large of administrative staff
- Too large of teaching staff
- Accepting debt of another school district
- Other Please state \_\_\_\_\_

9.) Do you believe the Standard and Poor's Study is going to lay the foundation for future school mergers in Pennsylvania?

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

10.) In your position as School Board President, please rank the following items that would support the possibility of your district merging. Rank from 1 – 7 with number 1 being the biggest benefit to your district and number 7 being the least important factor.

- Potential lower property taxes
- Increased academic offerings
- Increased extra-curricular activities
- Time is right for consolidation of schools
- Decrease teaching staff
- Decrease administrative staff
- Other Please state \_\_\_\_\_

11.) Please rank in order from 1 – 7 what you perceive to be the potential disadvantages to a school merger. Number 1 would be what you perceive to be the biggest disadvantage.

- Increased class size
- Longer transportation/bus routes
- School system would become too big
- Loss of hometown school
- Too large of administrative staff
- Too large of teaching staff
- Other Please state \_\_\_\_\_

12.) If small districts, like yours, were required to merge by the Pennsylvania Department of Education and the state legislature, your district consider would oppose the process.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5=Strongly Disagree 6 = Undecided

**Open-ended questions:**

- 1.) How do you perceive your fellow school board members feel about your school district merging?
- 2.) Under what conditions do you believe your school district should ever consider merging?

## **APPENDIX F**

### **Letter to Superintendents Requesting Union Leadership Input**

#### **SCHOOL DISTRICT LETTERHEAD**

Dear Union President (insert name),

I am pleased to introduce James Budzilek, a doctoral student at the University of Pittsburgh currently working on his dissertation research study. Mr. Budzilek is conducting a research study regarding the 2007 Standard and Poor's report entitled the "Study of the Cost-Effectiveness of Consolidating Pennsylvania School Districts." He has identified you as a possible candidate to participate in his research study based upon your involvement with the local teacher's association.

The research study will investigate your knowledge of the aforementioned study, your perceptions of the study, and your ideas of the outcomes of school district merging. No compensation will be provided for participating in this research study. However, this information may assist school districts throughout the Commonwealth of Pennsylvania in studying school mergers.

If you choose to participate, you will complete survey questions and open-ended questions. The entire survey should take no longer than 20 – 25 minutes to complete.

Participation in this research study is voluntary and all information collected from this study will be kept confidential by the researcher.

The survey is an on-line survey and can be found at [www.surveymonkey.com](http://www.surveymonkey.com). Prior to completing the survey, please contact Mr. Budzilek with any questions or concerns. He can be contacted at [jacm@zoominternet.net](mailto:jacm@zoominternet.net) or xxx-xxx-xxx.

Sincerely,

Superintendent

## **APPENDIX G**

### **Questions for the Union Leadership of the Paired Districts**

1.) How long have you been the teacher's association president?

1 = 0-5 yrs.    2= 6-10 yrs.    3=11-15 yrs.    4=>15 yrs.

2.) In 2007 Standard and Poor's released a study commissioned by the Legislative Budget and Finance Committee on the possibility of small school consolidations in Pennsylvania.

How aware of are you of this study?

1 = Very aware 2 = No knowledge at all of study 3 = Heard of study but did not review the study

3.) Below are some of the potential advantages of school mergers? Please rank from 1 – 5 (1 is the most important and 5 is the least important) what you perceive to be the biggest advantages to school mergers.

- Increased academic offerings
- Better financial stability for the district
- No teacher furloughs
- Increased extra-curricular activities
- Other Please state \_\_\_\_\_

4.) Listed below are some of the disadvantages of mergers. Please rank from 1 – 6 (1 representing the biggest disadvantage and 6 being the smallest disadvantage) the following potential disadvantages of school mergers.

- Loss of small school appeal
- Increased class size
- More social issues/problems among students
- Increased work load on teaching staff
- Greater accountability on staff
- Other Please state \_\_\_\_\_

5.) Do you believe your local association would oppose a school merger if required by Pennsylvania?

1=Yes 2=No 3=Undecided

6.) Your school administration shared with you a copy of the 2007 Standard and Poor's School Consolidation study.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = N/A

7.) If applicable, the school district (administration and school board) would welcome your input on a merger study.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

8.) Your local association is in favor of any merger discussion.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

9.) You believe that a merger of your district will have negative effects.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

10.) You believe a merger will be best in the long term for the future of your school district.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

11.) You believe any merger process will lay the foundation for more small school mergers throughout Pennsylvania.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5=Strongly Disagree 6 = Undecided

12.) If your district merged, both union leaderships (of the new district) would work together with the new district administration to make a possible merger work.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

13.) If you knew of the Standard and Poor's Study, the PDE, PSEA, and your school administration were able to address all of your questions.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5=Strongly Disagree 6 = N/A

14.) You personally believe mergers will be required by the PDE and the state legislature within the next 10 – 15 years.

1 = Strongly Agree 2 = Somewhat Agree 3 = Agree 4= Somewhat Disagree  
5 = Strongly Disagree 6 = Undecided

**Open-ended questions:**

- 1.) What do you believe would be the reaction of your school board if the PDE and state legislature required a small school consolidation process in Pennsylvania?
- 2.) Why would your school district consider merging?
- 3.) If applicable, how would the union work with the district to stop a merger process?

## **APPENDIX H**

### **Questions for the School Superintendents of the “Paired School Districts”**

1.) How long have you been superintendent at your district?

1= 0-5 yrs. 2=6-10 yrs. 3 = 11-15 yrs. 4=>15 yrs.

2.) How long have you been employed in any role (teacher, administrator) at your district?

1= 0-5 yrs. 2=6-10 yrs. 3=11-15 yrs. 4=>15 yrs.

3.) Did you graduate from the same school you are currently working for?

1=Yes 2=No

4.) Do you currently live in the community where you work?

1=Yes 2=No

5.) How many students are enrolled in your district?

1=500-750 2=751-1000 3=1001-1250 4=>1250

6.) What type of district is your school district?

1=Rural 2=Suburban 3=Urban

7.) Are you aware of the 2007 Standard and Poor's school consolidation study?

1=Yes 2=No 3 = Aware of study but did not review the report

8.) Did you make your school board aware of the study?

1=Yes 2=No

9.) Has your school district ever publicly discussed the possibility of a merger?

1=Yes 2=No

If so, what neighboring district? \_\_\_\_\_

10.) Do you believe your students would benefit from a school consolidation?

1=Yes 2=No 3=Undecided

11.) Do you believe your community would benefit from a school merger?

1=Yes 2=No 3=Undecided

12.) What do you believe would be the advantages of a school merger for your district?

Check all that apply.

- Increased academic offerings
- Better financial stability for the district
- No teacher furloughs
- Increased extra-curricular activities
- Other

13.) What do you believe would be the disadvantages of a school merger for your

district? Check all that apply.

- Loss of small school appeal
- Increased class size
- More social issues/problems among students
- Increased work load on teaching staff
- Greater accountability
- Other

14.) Would a merger of your district create tension between both communities?

1=Yes 2=No 3=Undecided

15.) What do you believe to be the ideal student population for a school district?

1=500-750 2=751-1000 3=1001-1250 4=>1250

16.) What has your district done as alternatives to consolidating? Check all that apply.

- Distance Learning
- In school on-line learning
- Resource sharing with other districts
- Decreased staff
- Increased class size
- Reduced amount of electives
- Cut extra-curricular activities
- Increased use of Intermediate Unit services
- Other

**Open-ended questions:**

- 1.) What do you believe would be the outcome of merger discussions in your district?  
Please explain your answer.
- 2.) With the recent studies commissioned by the Pennsylvania State Legislature, do you believe the state government is laying the foundation for mandated mergers? Explain your answer.
- 3.) To avoid merging with a neighboring district, what steps would your district take?
- 4.) What do you think would be the number one reason your district would entertain merger discussion? Please explain.

## **APPENDIX I**

Week of July 14, 2008:

The following email was communicated to the superintendents, soliciting their participation in the survey. A personal telephone call to each superintendent describing the survey followed receipt of the emails.

Dr. \_\_\_\_\_:

Thank you again for talking with me last week about my doctoral study with the University of Pittsburgh and your potential participation and help. I truly appreciate your time and efforts. Please note that there may two email addresses for this email....one is my work email and one is my home email. My cell phone is xxx-xxx-xxxx if you should need to talk with me.

As per our conversation last week, I have included introductory letters and surveys for both the school board president and teacher association president. I drafted the letters as if they were created by you. If it is best, you can copy and paste the letter onto your school letterhead or simply send them the cover letter. However, **please note**, that I have **not** included the survey monkey web address in the respective cover letters nor I have included the survey that I would also like

you to complete. As a courtesy, I wanted you to review the cover letter and surveys rather than just forwarding the materials to the respective presidents. I will forward you those web addresses once I hear from you that your school is willing to participate in this study.

As I explained last week, the study is on perceptions of key stakeholders (supts., board presidents, and association presidents ) on the 2007 S & P study on small school consolidation in Pennsylvania. It is completely voluntary and confidential. Each survey should take approximately 20 minutes to complete.

Again, once I hear back from you, I will send the respective web addresses for all three surveys. Thank you again and if you should need any clarification, please do not hesitate to contact me via email or phone.

Yours in education,

Jim Budzilek

## **APPENDIX J**

Week of July 21, 2008:

The following email was forwarded to the superintendents. Each Internet address was provided for each group within the school districts.

Dear Dr. \_\_\_\_\_:

Please find below the web links for the surveys to be completed by you, your association president and board president. Again, if you have already discussed this survey, you may forward the link to the respective individuals for their completion or include the link in the letter I sent last week.

Please note the following clarification for question 2 in the open-ended section in the Superintendent Survey:

*Most recent studies have been commissioned by the State Legislature in Harrisburg, not PDE. Therefore, the question is asking if you believe the state legislature's latest studies are laying the foundation for mandated mergers.*

Teacher's Association Survey

[https://www.surveymonkey.com/s.aspx?sm=HJekMxqbgqWHvlwflL4zhA\\_3d\\_3d](https://www.surveymonkey.com/s.aspx?sm=HJekMxqbgqWHvlwflL4zhA_3d_3d)

Superintendent Survey

[https://www.surveymonkey.com/s.aspx?sm=\\_2fykLXMWNJnVKEdb5\\_2f7ZYV\\_A\\_3d\\_3d](https://www.surveymonkey.com/s.aspx?sm=_2fykLXMWNJnVKEdb5_2f7ZYV_A_3d_3d)

School Board President Survey

[https://www.surveymonkey.com/s.aspx?sm=o79DBZK6Bh5VFzINxJQsKQ\\_3d](https://www.surveymonkey.com/s.aspx?sm=o79DBZK6Bh5VFzINxJQsKQ_3d)

3d

I will follow up again in approximately two weeks to check on the completion of the survey. With the program I am utilizing (SurveyMonkey), I have no idea on who completed the survey - I only can determine how many individuals completed the survey.

Again, thank you and please contact me with any questions/concerns.

Jim Budzilek

## **APPENDIX K**

### **IRB Approval Form**

Institutional Review Board

3500 Fifth Avenue  
Ground Level  
Pittsburgh, PA 15213  
(412) 383-1480  
(412) 383-1508 (fax)  
<http://www.irb.pitt.edu> <<http://www.irb.pitt.edu>>

Memorandum

TO: JAMES BUDZILEK <<mailto:jab73@pitt.edu>>  
FROM:  
  
SUE BEERS <<mailto:beerssr@upmc.edu>> PHD, Vice Chair  
DATE:  
  
5/12/2008  
IRB#:  
  
PRO08030227  
SUBJECT:

Perceptions of Key Stakeholders Representing School Districts Included in the Standard and Poor's Study entitled "Cost Effectiveness of Consolidating Pennsylvania School Districts

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The above-referenced project has been reviewed by the Institutional Review Board. Based on the information provided, this project meets all the necessary criteria for an exemption, and is hereby designated as "exempt" under section 45 CFR 46.101(b)(2).

Please note the following information:

\* If any modifications are made to this project, please contact the IRB Office to ensure it continues to meet the exempt category. \* Upon completion of your project, be sure to finalize the project by submitting a termination request.

Please be advised that your research study may be audited periodically by the University of Pittsburgh Research Conduct and Compliance Office.

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